



Daily Report

East Asia

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Japan

Foreign Minister, Mondale Meet Over Trade Talks

OW1507094994 Tokyo KYODO in English 0939 GMT
15 Jul 94

[Text] Tokyo, July 15 KYODO—Foreign Minister Yohei Kono vowed Friday that Japan will do what it "ought to do" as early as possible to settle the trade "framework" talks with the United States, Foreign Ministry officials said.

Kono expressed his resolve in a meeting with U.S. Ambassador to Japan Walter Mondale at the Foreign Ministry. Kono told Mondale that as foreign minister and head of the Liberal Democratic Party [LDP], he is determined to do what Japan must do as early as possible concerning the management of Japan's economy and the trade framework talks with the U.S., the officials said.

Prime Minister Tomiichi Murayama holds the same sense of resolve, Kono was quoted as saying. Kono did not, however, specify what steps Japan will take, according to the officials.

In the summit talks between Murayama and U.S. President Bill Clinton in Naples last week, Murayama pledged to expand domestic demand and increase consumer appetite for imports.

The measures Japan will take include the introduction of multiyear tax cuts, expansion of a 10-year public works spending plan from the originally targeted 430 trillion yen, smooth implementation of a full-scale deregulatory package and suspension of the planned consumption tax hike intended to help finance the tax cuts.

Mondale told Kono the bilateral trade negotiations have been underway for a long time and that the two sides should come up with some results soon, the officials said.

Also during the 45-minute meeting, Kono and the U.S. Ambassador discussed last week's summit meeting of the Group of Seven (G-7) economic powers in Naples and the talks between Murayama and Clinton. But Mondale said he did not discuss with Kono the situation in North Korea.

The officials quoted Kono as telling Mondale that the Murayama-Clinton meeting was very "meaningful" since Murayama made it clear that his new government places importance on Japan-U.S. relations.

Murayama was also able to strengthen his position of trust with the U.S. and particularly with Clinton through the meeting, Kono reportedly told Mondale.

Mondale quoted U.S. Secretary of State Warren Christopher as saying the Murayama-Clinton meeting was a very good one and marked a good start to their relationship.

Mondale Criticizes MOF's Position on Tax Cuts

OW1507102794 Tokyo KYODO in English 1014 GMT
15 Jul 94

[Text] Tokyo, July 15 KYODO—U.S. Ambassador Walter Mondale met a Japanese business leader Friday [15 July] and criticized the Ministry of Finance's [MOF's] position on tax cuts.

Mondale told Shoichiro Toyoda, chairman of the Federation of Economic Organizations (Keidanren), that the ministry has backtracked from Finance Minister Masayoshi Takemura's promise to continue income tax cuts beyond fiscal 1994, which ends next March 31, Keidanren officials said.

The said Mondale also told Toyoda that Japan, with its basically sound finances, should implement income tax cuts on a multiyear basis and consider a tax hike after the economy recovers.

Takemura made the promise to the United States during the Naples Summit of the Group of Seven (G-7) industrial nations. Toyoda called on Mondale at the U.S. Embassy in Tokyo to exchange views on Japan's economic stimulation measures and other subjects.

Toyota's Foreign Parts Purchase Up 12 Percent

OW1507104694 Tokyo KYODO in English 0959 GMT
15 Jul 94

[Text] Tokyo, July 15 KYODO—Toyota Motor Corp. bought a total of 7.02 billion dollars worth of automobile parts and materials made overseas in the 1993 business year, up 12 percent from the year before, its president said Friday [15 July].

The purchase includes imports by its Japanese factories as well as procurement by its overseas factories in respective local areas, said Tatsuro Toyoda, president of one of the largest three automakers in the world.

Speaking to reporters, Toyoda attributed the sound increase to the fact that a factory in Britain has started a full-operation in the business year, which ended March 31.

He refrained from making any comments on the attainability of the company's plan to increase its overseas procurement of parts and materials to 9.7 billion dollars by fiscal 1996. But he said his company is working hard to strengthen its own business bases, as well as to revitalize the world automobile market and to expand its overseas procurement.

As for the ongoing Japan-U.S. trade "framework" talks, Toyoda said a large part of the negotiations of the automotive area in the talks is a private business matter. "The governments of the two countries should solve governmental level problems as soon as possible, and let business sectors to solve their own," he said.

Murayama Plans To Visit ROK 23-24 Jul*OW1507071594 Tokyo KYODO in English 0707 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—Prime Minister Tomiichi Murayama will visit South Korea on July 23 and 24 for talks with President Kim Yong-sam, the government announced Friday [15 July].

Murayama will be accompanied by Foreign Minister Yohei Kono on the visit, initially scheduled for this weekend. The visit has been postponed in the wake of the death of North Korean Leader Kim Il-song a week ago and Murayama's ill health during the Naples Summit of the world's seven economic powers.

During talks with the Seoul leader, Murayama will reassure him of continuity in Tokyo's diplomatic and security policies, officials said.

The two leaders are also expected to discuss the North Korean situation amid signs that the deceased Pyongyang president's son, Kim Chong-il, is consolidating his reins of power in three key posts—the ruling party, government and military.

Kono Plans To Accompany Murayama*OW1507043894 Tokyo KYODO in English 0417 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—Foreign Minister Yohei Kono said Friday [15 July] he will accompany Prime Minister Tomiichi Murayama on his visit to South Korea from July 23 to 24.

Kono told reporters he will go to Seoul with the premier before going to Bangkok to attend the Association of Southeast Asian Nations (ASEAN) forum there.

Kono said he and Murayama will explain the Japanese Government's position on relations between Tokyo and Seoul.

A meeting between Kono and South Korean Foreign Minister Han Sung-chu is currently being arranged, he said.

Murayama will meet with South Korean President Kim Yong-sam to discuss North Korea's nuclear development program and the future of the northern half of the Korean peninsula following the death of President Kim Il-song.

Iraqi Government Envoy To Discuss UN Resolutions*OW1507094494 Tokyo KYODO in English 0937 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—An Iraqi Government envoy will visit Japan from July 21 to 23 to explain Iraq's position regarding its dialogues with the United Nations under economic sanctions, Foreign Ministry Spokesman Terusuke Terada said Friday [15 July].

Wissam Shawket Al Zahawie, former undersecretary at the Iraqi Foreign Ministry and currently adviser to the foreign

minister [name and title as received], will hold talks with Japanese Foreign Ministry officials during his stay in Japan, Terada said.

Japan is expected to explain that Iraq's full and unconditional compliance with all the 29 UN Security Council resolutions on Iraq is indispensable to the restoration of peace and stability in the Persian Gulf region, he said.

Iraq has been asking that Japan accept the visit of Al Zahawie, Terada said. Japan decided to do so because Tokyo considers it useful to directly obtain Iraq's view and convey Japan's position to Iraq, he said.

The Group of Seven economic powers reiterated their resolve at their summit meeting last week in Naples, Italy, to "enforce full implementation of each relevant UN Security Council resolution concerning Iraq and Libya until they are complied with, and recall that such implementation would entail the reassessment of sanctions."

List of POW's in Ex-Soviet Union Unveiled*OW1507104394 Tokyo KYODO in English 1027 GMT
15 Jul 94*

[Text] Yamagata, Japan, July 15 KYODO—A civic group of Japanese World War II veterans Friday [15 July] unveiled a new list of 1,272 Japanese prisoners of war (POW) who were killed or died during internment in Soviet labor camps or jails for political prisoners after the war.

Rokuro Saito, head of the All Japanese Association of Former Internees (Zen-nyokyo) based in the city of Sakata in Yamagata Prefecture, said the group volunteered to compile the list by retrieving documents and records from the archives of the Russian Defense Agency and the Moscow-based Russian National Archives.

The list includes the names of eight Japanese military officers, all of whom, Saito said, seemed to have been executed by the Soviet Red Army on Oct. 16, 1946.

"Judging from the fact that all of these officers died on the same day and the site of their burial is identical, they appear to have been executed," he said. The remains of these officers are now interned in a cemetery for victims of political repression in Vladivostok, Saito said.

Although the locations of the internment camps of the 1,272 POWs are scattered around Russia, 391 or about one-third of them died while in captivity in Komsomolsk-Na-Amure, a few hundred kilometers north of Khabarovsk, in the Russian Far East.

Japanese POWs were captured in August 1945 by the Soviet Red Army which stormed into northern China. Historians say then Soviet leader Joseph Stalin ordered the Red Army to put them to work to help reconstruct the war-damaged Soviet infrastructure.

A former Soviet Interior Ministry document says there were a total of 610,000 Japanese POWs, of which 62,000 died during captivity. Saito says these POWs were used as forced labor in building Siberian railways or as loggers.

Former Soviet President Mikhail Gorbachev handed over to Tokyo a partial list of these detainees during his visit to Tokyo in 1991. Russian President Boris Yeltsin offered an apology for the ordeal of the forced laborers during his visit to Tokyo last October.

Trade Surplus Up 5.1 Percent in Jan-Jun Period

*OW1507071894 Tokyo KYODO in English 0709 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—Japan's merchandise trade surplus in the first six months of 1994 rose 5.1 percent from a year before, with the surplus in June rising 14.8 percent to post a rebound from the previous month's fall after six months of straight gains, the Finance Ministry said Friday [15 July].

The customs-cleared trade gap came to 60.01 billion dollars in the January-June period, and to 11.35 billion dollars in June, the ministry said in a preliminary report.

Exports in the first six months rose 6.8 percent to 186.80 billion dollars, while imports increased 7.6 percent to 126.79 billion dollars. In June, exports gained 10.4 percent to 33.67 billion dollars, and imports rose 8.3 percent to 22.32 billion dollars.

The politically sensitive trade surplus with the United States came to 24.56 billion dollars in the first six months, and 4.73 billion dollars in June.

Further Reports on Reaction to Stronger Yen

Igarashi: 'No Special Cure'

*OW1507140394 Tokyo KYODO in English 1344 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—There is no special cure for volatility of foreign exchange rates that has driven the yen to postwar highs against the dollar, Japan's chief government spokesman said Friday.

In a television interview recorded Friday night, Chief Cabinet Secretary Kozo Igarashi said the fundamental approach is to spur Japan's domestic demand through deregulation, increase and improve spending on social infrastructure, and continue with income tax cuts.

With respect to tax reforms, he refrained from elaborating on whether the government is seeking to raise the consumption tax to make up for shortage caused by the income tax reduction or when such a consumption tax hike will be implemented.

Igarashi also pointed out that problems exist with the United States in connection with the recent exchange rate volatility and voiced the hope that the U.S. will take necessary measures to prevent such fluctuations.

Finance Minister on Yen, Economy

*OW1507050394 Tokyo KYODO in English 0450 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—Currency rates are stabilizing slightly but the yen's rise remains a major concern for Japan's improving economy, Finance Minister Masayoshi Takemura said Friday..

Takemura also said he is not thinking of additional fiscal steps to help the economy cushion the yen's rise, despite increasing calls for such measures from business leaders and fellow cabinet ministers.

The currency market "has slightly regained stability" with the dollar moving in the 98 yen level this morning and the previous day, Takemura told a news conference after a morning cabinet meeting.

He attributed the dollar's rebound from the 97-yen level to overnight comments by U.S. Treasury Secretary Lloyd Bentsen who stressed cooperation with the Federal Reserve Board for a stronger dollar.

Bentsen's comments came amid rumors of a tightening of U.S. credit.

Asked if the improving economy as underscored by the July economic report can withstand the record increases in the yen, Takemura said, "We can't feel easy yet because the yen's rise remains a major concern and the report doesn't count the yen's recent sharp rise."

The monthly report, compiled by the Economic Planning Agency (EPA) and endorsed at the morning cabinet meeting, painted a cautiously optimistic picture by changing its overall assessments to spreading bright spots from the previous report's some emerging bright signs.

But it said the yen's rise is preventing the EPA from declaring an end to the three-year recession.

Referring to Bentsen's comments, Takemura said he will watch currency movements and take action in cooperation with members of the Group of Seven (G-7) major industrialized nations.

"Wild fluctuations and unstable movements in the short term, stemming from speculation, are undesirable," Takemura said, pointing to an agreement orally announced by the G-7 finance ministers during the Naples summit over the weekend.

"I'm not thinking (of additional fiscal measures) at the moment," Takemura said, distancing himself from some other cabinet ministers who called for measures to control the rise of the yen to help companies and consumers.

"The government's policy is to put utmost efforts" into implementing the fiscal 1994 budget and the still-remaining portions of the 1993 third supplementary budget that finances large chunks of the 15.25 trillion yen stimulus package adopted in February, Takemura said.

Currency Meeting 'Necessary'*OW1507044994 Tokyo KYODO in English 0416 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—Cabinet ministers shared the view Friday that key cabinet members should huddle when necessary to weigh the yen's upswing against the dollar, the top government spokesman said.

Chief Cabinet Secretary Kozo Igarashi told a news conference the ministers concurred on the need to hold such a cabinet meeting occasionally and discuss possible measures to stem the yen's further surge against the dollar.

The yen's recent ascent to postwar highs against the dollar is feared to put a damper on the just-emerging recovery of the Japanese economy.

The dollar ended Friday morning in Tokyo at 98.25 yen, up a fractional 0.06 yen from Thursday's closing rate of 98.19 yen.

The figures compared with Thursday's late quotes of 98.50-60 yen in New York and 98.35-45 yen in London.

Trade Minister Ryutaro Hashimoto said at a regular news conference he has urged the monetary authorities to stabilize foreign exchange rates, noting smaller businesses in particular are beleaguered by the yen's surge against the U.S. dollar.

The Ministry of International Trade and Industry is extending loans to such firms as part of pump-priming steps taken so far, Hashimoto said.

"What is important now is to stabilize exchange rates," the trade minister said.

According to Hashimoto, the stabilization of currency movements was sought by other cabinet ministers as well, such as Transport Minister Shizuka Kamei and Construction Minister Koken Nosaka.

Meanwhile, Posts and Telecommunications Minister Shun Oide told reporters there seems to be no definite measure to stem speculative movements in the currency markets.

He quoted the Finance Ministry as estimating that speculative investors have pumped as much as 1 trillion dollars into the market while coordinated market interventions by industrial nations have amounted to only 10 billion dollars.

Labor Minister Manso Hamamoto told reporters his ministry is conducting a survey on the effect of the high yen on the labor situation.

The Labor Ministry will have to consider fresh measures to secure jobs if the effect turns out severe, Hamamoto added.

'May Not Harm' Economy*OW1507130794 Tokyo KYODO in English 1238 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—The chairman of the Japan Association of Corporate Executives (Keizai Doyukai) said Friday [15 July] the strong yen should not have an adverse impact on the Japanese economy.

Somewhat contradicting results of a survey released by his organization the same day, Masaru Hayami said at a press meeting, "I believe the yen's current exchange level may not harm (Japanese businesses) that much, although it depends on how corporate sentiment is affected."

In noting his reasons for his optimism, Hayami said this year's weather has been much better than the cool rainy summer last year and economies in other areas of Asia and the United States are recovering and providing favorable opportunities for Japan's economy.

He said he would prefer to see the yen at an exchange level of 105 yen to the U.S. Dollar, "but at present it seems like market interventions by monetary authorities have had little effect in stemming the momentum pushing up the yen."

Meanwhile, Keizai Doyukai released results of a survey of Japanese exporters who say they could reach a break-even point if the yen is traded on average at 113.40 yen to the dollar.

But with the yen having surged to less than 100 yen to the dollar since late June, almost all Japanese exporters are losing profits, it said.

The poll was conducted in mid-June on 407 companies from among the organization's member firms. Of the companies, the organization said, 29.1 percent set their break-even point in a range between 110 yen and 114 yen, while 24.1 percent set a break-even point of between 115 yen and 119 yen. Only 5.1 percent said they could make profits with the yen at 104 or stronger against the dollar.

'Substitute War Compensation' Measures Decided*OW1407154694 Tokyo KYODO in English 1508 GMT
14 Jul 94*

[Text] Tokyo, July 14 KYODO—Japan will increase educational funding for Asian students in the country as part of its avowed steps to provide "substitute war compensation" to express Tokyo's repentance over the so-called "comfort women" issue; officials said Thursday [14 July].

The provision of "a few hundreds of million yen" a year is in line with Japan's pledge in 1993 to take "measures that would substitute for war compensation" to atone for the forced prostitution of tens of thousands of Korean and other Asian women at frontline brothels for wartime Imperial Army soldiers during World War II, they said.

The measures will also include the official financing of academic studies and preservation of historical materials and records concerning comfort women and other wartime issues, they said.

Prime Minister Tomiichi Murayama will brief South Korean President Kim Yong-sam on these measures in their upcoming meeting slated for July 23, the officials said.

Last August, the Japanese Government acknowledged for the first time that the Japanese Imperial Army forced Asian women into sexual servitude.

In an official government report in 1993, then Chief Cabinet Secretary Yohei Kono, now foreign minister and deputy prime minister in the Murayama Cabinet, said Japan had to acknowledge its history of rounding up, transporting and controlling the women detained at front-line brothels.

In 1992, Koichi Kato, then chief government spokesman, pledged that the government will take "measures that would substitute as war compensation."

Japan has taken the position that the issue of official war reparations was resolved in the San Francisco Peace Treaty of September 8, 1951.

Therefore, the government has not recognized the validity of individual claims for war compensation.

A senior government official said Japan has decided to adopt these measures as South Korean President Kim Yong-sam has sought Japanese measures that could expedite investigation, recognition and education concerning these historical facts.

Among other proposals under consideration are plans to expedite joint research of the Imperial Army's wartime atrocities by both Japanese and South Korean academics, and having them present their findings in a symposium on these historical facts, the officials added.

SDPJ Studies Dropping Anti-SDF Stand

*OW1507002794 Tokyo KYODO in English 0016 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—In a major policy shift, Prime Minister Tomiichi Murayama's Social Democratic Party (SDP) is considering dropping its insistence that Japan's Self-Defense Forces (SDF) are unconstitutional, the YOMIURI SHIMBUN reported Friday [15 July].

The YOMIURI said in a front-page article that SDP leaders have concluded it is impossible for them to stick to the long-standing view because Murayama as premier is supreme commander of the Ground, Maritime and Air Self-Defense Forces.

The SDP may declare at an extraordinary party convention on September 3 that the SDF are constitutional if they are scaled down, the YOMIURI said.

The YOMIURI said, however, that a change in the party's SDF stand would catch the ire of the party's left-wingers and regional chapters.

Murayama assured U.S. President Bill Clinton in Naples, Italy, on July 8 that his coalition government would

continue the basic foreign and defense policies of previous governments, including Japan-U.S. mutual security arrangements.

Murayama Discusses SDF Issue With SDPJ Members

*OW1507143794 Tokyo KYODO in English 1429 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—The Social Democratic Party (SDP) [Social Democratic Party of Japan—SDPJ], now holding the reins of power, kicked off an intraparty debate Friday [15 July] over the wisdom of rethinking the party's decades-old tenet that Japan's constitution outlaws the military, SDP officials said.

The SDP, whose Chairman Tomiichi Murayama is now leading the Japanese Government, wants to shield the premier from possible opposition criticism that his avowed recognition of the legitimacy of the Self-Defense Forces (SDF) is incompatible with the party's anti-SDF policy, they said.

Murayama told his first news conference July 1, after assuming the premiership, that he recognizes the legality of the SDF and the party cannot ignore its presence.

The party has long drawn its constituents' support on its tenet that the SDF, with its current military capability, is unconstitutional and should be scaled down.

Murayama is expected to face opposition criticism regarding the inconsistencies over the SDF issue between his party and the Liberal Democratic Party (LDP), which built up Japan's military capability during 38 years of continuous rule until ousted from power in a 1993 general election.

Now the Murayama administration draws part of its political strength from 13 ministers from the LDP, which swept back into power in a June Diet vote by forming an unlikely coalition with the socialists.

A senior government official said Friday, "I believe the position of Prime Minister Murayama has shifted from the preceding period when the SDP merely placed some of its members" into the cabinet of former Prime Minister Morihiro Hosokawa.

"Now he has to present a responsible argument in view of the fact that the SDP chairman is now serving as prime minister," the official said.

Murayama held discussions on the issue Friday night with such SDP executives as Secretary General Wataru Kubo, former Chairman Sadao Yamahana, former National Land Agency Director General Kosuke Uehara and Chief Cabinet Secretary Kozo Igarashi, the official said.

Kaifu, Other LDP Defectors Form New Diet Group

*OW1507042894 Tokyo KYODO in English 0414 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—Former Prime Minister Toshiki Kaifu and five other defectors from the Liberal

Democratic Party (LDP) formed a new parliamentary group in the House of Representatives on Friday, group members said.

The new group, Koshi Kai, which means an association with high aspiration, is headed by Takeshi Noda, former chief of the Economic Planning Agency, and includes Yuji Tsushima, Okiharu Yasuoka, Akihiko Noro and Hiroshi Imazu, they said.

The six were among 19 LDP members who defied party instructions to vote for Tomiichi Murayama, chairman of the Social Democratic Party (SDP), in a premiership election last month.

Although Kaifu asked the full 19 to leave the LDP, only five agreed, political sources said. Among the 19 were former Prime Minister Yasuhiro Nakasone and former Foreign Minister Michio Watanabe.

The 19 voted for Kaifu during the election in the June 29 lower house session.

Kaifu quit the LDP shortly before the election and received support from former coalition government forces led by former Prime Minister Tsutomu Hata.

Murayama beat Kaifu in the premiership election, and subsequently formed the coalition government composed of the SDP, the LDP and New Party Sakigake.

Upper House Dietman Shoji Shimma Resigns

OW1507141794 Tokyo KYODO in English 1352 GMT 15 Jul 94

[Text] Nagoya, July 15 KYODO—A House of Councillors member charged with falsifying his academic record while running in the 1992 upper house election tendered his resignation Friday [15 July], officials said.

Shoji Shimma, 59, took the move three days before the supreme court is to deliver a ruling on his case. The Nagoya District Court in December 1993 sentenced him to a six-month jail term suspended for four years for falsifying his record, and the Nagoya high court upheld the decision in April 1994.

Shimma, a former radio and television personality, ran on the Democratic Socialist Party (DSP) ticket in the Aichi Electoral District and won a seat in the upper house in July 1992. Within 10 days after the election, however, a group of local citizens filed a complaint with police, saying Shimma falsely stated that he studied at Meiji University in Tokyo. Shimma admitted he never attended the university and left the DSP under pressure, but he remained as an independent in the Diet.

If the supreme court convicts him of election irregularities, his Diet seat will become invalid. The upper house's Steering Committee is expected to discuss his resignation request Monday morning, but it is not certain the committee will approve the resignation before the ruling is delivered. In either case, a supplementary election will be held for the upper house seat in Aichi Prefecture, the first

national election since the coalition government of Prime Minister Tomiichi Murayama came to power late last month.

Table of Parliamentary Strength

OW1507053894 Tokyo KYODO in English 0411 GMT 15 Jul 94

[Text] Tokyo, July 15 KYODO—The following is a table of parliamentary strength in both houses of the Diet after former Prime Minister Toshiki Kaifu and five other defectors from the Liberal Democratic Party (LDP) formed a new parliamentary group "Koshi Kai" in the House of Representatives on Friday [15 July]:

House of Representatives		House of Councillors	
LDP	200	LDP	95
Kaishin (Innovation)	126	SDP	68
Komeito	52	Komeito	24
New Party Sakigake	21	JCP	11
JCP	15	Niin Club	5
Koshi Kai	6	Goken Liberal No Kai	5
New Party Mirai	5	New Party Mirai	10
Independents	10	Independents	6
Vacancies	2	Vacancies	0
Total	511	Total	252

Note: Kaishin consists of members of Shinseito (62), the Japan New Party (33), the DSP (19), the Liberal Party (7), four former Kaikaku No Kai members and another LDP defector. Shin Ryokufu Kai groups Shinseito (13), the Democratic Reform Party (11), the DSP (8), the JNP (4) and the Sports Peace Party (2). The Goken Liberal No Kai consists of members who quit or were expelled from the SDPJ. The ruling coalition comprises the LDP, the SDP and New Party Sakigake.

Experts Urge Cut in Official Discount Rate

OW1507141094 Tokyo KYODO in English 1340 GMT 15 Jul 94

[Text] Tokyo, July 15 KYODO—Some Japanese economists are calling for a cut in the official discount rate by the bank of Japan to halt the yen's appreciation against the U.S. dollar, which has caused an expansion in Japan's trade surplus.

The key rate, charged by the central bank on its loans to commercial banks, currently stands at 1.75 percent per annum.

Iwao Nakatani, professor at Hitotsubashi University in Tokyo, said the trade surplus can be reduced only through a cut in the discount rate and structural reforms such as economic deregulation.

Masaru Takagi, chief researcher at the Fuji Research Institute, said a cut in the discount rate, combined with economic stimulation measures, might be inevitable, depending on fluctuations in the foreign exchange market. The institute is a think tank affiliated with Fuji Bank. The Finance Ministry and the Bank of Japan insist, however, they see no need for a rate cut.

EPA Issues 'Cautiously Optimistic' Report

*OW1507013394 Tokyo KYODO in English 0105 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—More glimmers of light are being seen on the economic front, despite the continuing languor in overall activities, the Economic Planning Agency (EPA) said in a monthly report Friday [15 July].

In the cautiously optimistic monthly report on economic health, the agency also drew attention to the destabilized currency markets.

"While the Japanese economy remains in an adjustment phase and is still languid across the board, bright signs have begun to spread recently," the report said, building on an earlier diagnosis which noted "bright signals in some areas."

"On the other hand," the report continued, "there are some matters for concern like the recent movements of foreign exchange rates."

An EPA official briefing reporters said the stronger expression is justified by better showings witnessed in personal consumption, corporate earnings and inventory reductions.

The official said consumer spending is showing signs of recovery, with pickups reported in sales of new autos and "white goods" such as refrigerators.

He also said corporate earnings seem to be bottoming out while businesses expect improved performances down the road.

Quoting figures for May industrial production, the official also concluded that inventory reductions have entered a final stage and will no longer put a drag on production.

But optimism notwithstanding, the agency again stopped short of declaring an end to the 3-year-old recession.

The EPA official admitted that the yen's meteoric surge against the dollar is partly preventing the agency from declaring better news, describing a soaring yen as "a very large cause for concern."

He said the latest report does not take into account the yen's recent advance against the dollar above the 100 yen line and that the economy will naturally suffer if the current levels continue.

Citing business confidence, earnings and export volume as areas to be eroded by a high yen, he said, "we cannot ignore this and need to closely watch" the currency trends.

Revised Industrial Output Down 1.2 Percent

*OW1507100994 Tokyo KYODO in English 0946 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—The trade ministry said in a revised report Friday [15 July] that Japan's industrial production in May posted a 1.2 percent fall from the preceding month, a downward revision from a 0.8 percent drop in a preliminary report.

The Ministry of International Trade and Industry (MITI) said the seasonally adjusted production index for the mining and manufacturing sectors came to 89.8 against a base of 100 for 1990. The shipment index decreased 3.2 percent from April to 90.3, also a downward revision from a 2.9 percent drop in the preliminary report.

MITI attributed the downward revisions to slow production and shipments in the food, tobacco and lumber industries, which were not covered in the preliminary report. MITI forecast, however, that production in the April-June quarter is likely to post a positive growth for the second consecutive quarter.

At the same time, MITI warned that shipment trends will require a close watch in June, when effects of the yen's sharp appreciation are likely to be felt. The inventory index for May was up 0.8 percent at 105.6, an upward revision from a 0.7 percent rise in the preliminary report.

Small Businesses Report Profit Drop in '93

*OW1507122394 Tokyo KYODO in English 0953 GMT
15 Jul 94*

[Text] Tokyo, July 15 KYODO—Individually run small businesses in Japan reported profit declines in the recession-hit 1993 business year in all three sectors surveyed, including services, a government poll showed Friday [15 July].

The Management and Coordination Agency said it is the first time in 10 years that such service businesses reported profit declines. The agency conducts the survey every year on small unincorporated businesses run by the owners themselves in the three sectors of manufacturing, wholesale-retail-restaurants, and services. The agency said it was also the first time in 11 years that businesses in all three sectors reported profit declines.

Small, privately run businesses are usually expected to remain strong in periods of economic downturn, as they are quicker than large businesses to respond effectively to changing conditions. But small businesses have been exceptionally hard hit by the current prolonged slump, which passed the three-year point in May, the agency said.

According to the latest poll, covering 2,800 out of approximately 2.47 million such business in Japan, 38 percent are expecting another decline in profits for the current fiscal year ending next March. The percentage of bearish prospects increased 2 percentage points from a year earlier, the agency said.

In the 1993 business year, small manufacturers posted average operating profits of 5.24 million yen, declining by 1.3 percent for the second consecutive yearly retraction. Small-scale wholesalers, retailers and restaurant businesses registered average operating profits of 4.05 million yen, down 6.4 percent from the year before for the first decline in seven years. Small service businesses also averaged 3.50 million yen, down 4.5 percent.

North Korea

Reports on Domestic Mourning Activities Continue

Economic, Trade Counselors' Message

SK1207162994 *Pyongyang KCNA in English 1603*
GMT 12 Jul 94

[Text] Pyongyang, July 12 (KCNA)—A message of condolence was sent to the dear leader Comrade Kim Chong-il Monday from the economic and trade councillors' corps here on the death of the great leader President Kim Il-song.

The message says His Excellency Kim Il-song, the great leader of the Korean people, started the great revolutionary construction, devoted himself to the prosperity of the entire Korean people and did all he could do for the peaceful reunification of the country and the wellbeing of the Korean people.

It expresses the belief that Comrade Kim Chong-il, the faithful successor to the great revolutionary *chuche* idea, will surely achieve Korean reunification and win the final victory of the Korean revolution.

India, Nepal Set Mourning Days

SK1407151894 *Pyongyang KCNA in English 1510*
GMT 14 Jul 94

[Text] Pyongyang, July 14 (KCNA)—The Indian Government decided to set a three-day mourning period on the death of the great leader President Kim Il-song.

It decided to hang the flag at half-mast in the whole region of India and at the Indian diplomatic missions overseas and ban official amusement functions in the mourning period.

Meanwhile, the Ministry of Interior of Royal Government of Nepal on July 12 decided to set July 17 as the national mourning day and hang the flag at half-mast.

Canadian, U.S. Compatriots Arrive

SK1307230694 *Pyongyang KCNA in English 1601*
GMT 13 Jul 94

[Text] Pyongyang, July 13 (KCNA)—Chairman Chon Chong-nim of the Canadian Regional Headquarters of the National Alliance for the Country's Reunification and his party and woman journalist Mun Myong-cha and Kim Chin-kyong, Korean residents in the United States, arrived here today by air to express deep condolences on the death of the great leader President Kim Il-song.

'Steady Stream' of Mourners at Bier

SK1407170194 *Pyongyang KCNA in English 1648*
GMT 14 Jul 94

["Endless Stream of People Flows to Bier of President Kim Il-song"—KCNA headline]

[Text] Pyongyang, July 14 (KCNA)—The whole country is now overcome by deep grief and sorrow at the death of President Kim Il-song, the great leader peerless in the Korean people's history spanning several thousand years.

Today, too, crowds of mourners in Pyongyang and from local areas flowed in a steady stream to the Kumsusan Assembly Hall where the bier of the respected leader President Kim Il-song is lying in state.

They laid wreaths by the bier with deep reverence.

The ribbons hanging from the wreaths bear the words "We cherish the memory of the great leader Comrade Kim Il-song with deepest reverence." "May the revolutionary feats of the respected leader Comrade Kim Il-song shine long!" "May the great revolutionary feats of the respected leader Generalissimo Kim Il-song be immortal!" and "The great leader Comrade Kim Il-song will be alive eternally!"

The mourners, in deep grief, observed a silent tribute with deep condolences before the bier of President Kim Il-song and made a solemn pledge.

The respected leader lying in state amid flowers is the look of the tender-hearted father as he was when he was alive.

While the band was playing the dirge, the mourners went round the bier, gulping down tears. At last they broke down with sobs at the thought they could no more hear the kind and resonant voice or see the benign, bright smile of President Kim Il-song, who loved the people so dearly.

Officials of organs at various levels in Pyongyang and local areas, workers, cooperative farmers, intellectuals, officers and men of the People's Army, youths and students would not leave the bier, overwhelmed by grief at the loss of their great father. They made deep bows and beat their chests and the floor, shouting "great leader," "father" and "generalissimo, our father."

The mourners shed tears and wailed in face of the undeniable fact, the death of President Kim Il-song. They also made a solemn pledge.

With a great pride of having another great leader, Comrade Kim Chong-il, who has inherited all the natural gifts of President Kim Il-song, they resolved to overcome today's sorrow with a strong will and promote the accomplishment of the revolutionary cause of *chuche* and national reunification on the basis of the singlehearted unity of the whole party and the entire people around Comrade Kim Chong-il.

Meanwhile, the death of the great leader was deeply mourned today by officials and workers, of organs and

industrial establishments, cooperative farmers, intellectuals, officers and men of the People's Army and students and school children throughout the country at separate mourning places.

Overseas Compatriots Arrive

*SK1407152994 Pyongyang KCNA in English 1523
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA)—Chairman of the headquarters of Korean Residents in China of the National Alliance for the Country's Reunification (Pomminnyon) Yang Yong-tong, chairman of the European Regional Headquarters of Pomminnyon Choe Ki-hwan, chairman of the International Federation of Koreans for Reunification Kang Il and Prof. and Dr. Song Tu-yol of the Munster University in Germany arrived here today to express deep condolences on the death of the great leader President Kim Il-song.

Overseas Koreans Visit Bier

*SK1407234494 Pyongyang KCNA in English 2140
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA)—Overseas Koreans who are staying in the homeland to mourn the death of the great leader President Kim Il-song visited his bier on July 14 to express deep condolences.

Among them were the mourning delegation of the General Association of Korean Residents in Japan (Chongnyon) headed by Chairman of its Central Standing Committee Han Tok-su, Chairman of the International Federation of Koreans for Reunification Kang Il, president of the International Taekwondo Federation Choe Hong-hui, U.S.-resident woman journalist Mun Myong-cha, Prof. and Dr. Song Tu-yol of Munster University in Germany, Chairman of the Kungangsan International Group Pak Kyong-yun, Chairman of the Headquarters of Koreans in China of the National Alliance for the Country's Reunification (Pomminnyon) Yang Yong-tong, Chairman of the European Regional Headquarters of Pomminnyon Choe Ki-hwan, the Rev. Hong Tong-kun from the United States, Chairman of the Canadian Regional Headquarters of Pomminnyon Chon Chong-nim and his companion and U.S.-resident Kim Chin-kyong.

Comrade Kim Chong-il, Supreme Commander of the Korean People's Army, was standing as a guard of honour by the bier of President Kim Il-song.

Standing as guards of honour were members of the state funeral committee including Vice-president Yi Chong-ok, Vice-premier and Foreign Minister Kim Yong-nam and chief of the General Staff of the Korean People's Army Choe Kwang who are members of the Political Bureau of the Central Committee of the Workers' Party of Korea.

Guards of honor of the three services of the Korean People's Army were standing by the bier.

While the band played the dirge solemnly, the mourners laid wreaths and observed a moment's silence in memory of President Kim Il-song, the sun of the nation, the

legendary hero and the tender-hearted father of Koreans overseas who had devoted his whole life to the independence and sovereignty of the country, to its prosperity and reunification and to the happiness of the Korean people, before going round the bier.

Looking up to the face of the benevolent and generous fatherly leader whom they have trusted and followed as a mental pillar and the lodestar of reunification even in alien lands, the mourners were reluctant to leave the bier with tears in their eyes, unable to repress their great grief.

Kim Chong-il Receives Mourners

*SK1407235394 Pyongyang KCNA in English 2147
GMT 14 Jul 94*

["Comrade Kim Chong-il Receives Koreans Overseas"—KCNA headline]

[Text] Pyongyang, July 14 (KCNA)—Comrade Kim Chong-il, Supreme Commander of the Korean People's Army, today received Koreans overseas staying here to mourn the death of the great leader President Kim Il-song.

Present on the occasion were the mourning delegation of the General Association of Koreans Residents in Japan (Chongnyon) headed by Chairman of its Central Standing Committee Han Tok-su, Chairman of the International Federation of Koreans for Reunification Kang Il, president of the International Taekwondo Federation Choe Hong-hui, U.S.-resident woman journalist Mun Myong-cha, Prof. and Dr. Song Tu-yol of the Munster University in Germany, Chairman of the Kungangsan International Group Pak Kyong-yun, chairman of the Headquarters of Koreans in China of the National Alliance for the Country's Reunification (Pomminnyon) Yang Yong-tong, Chairman of the European Regional Headquarters of Pomminnyon Choe Ki-hwan, Rev. Hong Tong-kun from the United States, Chairman of the Canadian Regional Headquarters of Pomminnyon Chon Chong-nim and his companion and Kim Chin-kyong from the United States.

Also present were Vice-president Yi Chong-ok, Vice-premier of the Administration Council and Foreign Minister Kim Yong-nam, Chief of the General Staff of the Korean People's Army Choe Kwang and Secretary of the C.C. [Central Committee], the Workers' Party of Korea [WPK] Kye Ung-tae who are members of the Political Bureau of the C.C., the WPK, secretary of the C.C., the WPK Choe Tae-pok and chairman of the Supreme People's Assembly Yang Hyong-sop who are alternate members of the Political Bureau of the C.C., the WPK, secretaries of the C.C., the WPK Kim Ki-nam, Kim Kuk-tae, Kim Chung-nin and Kim Yong-sun, Vice-premier of the Administration Council Kim Hwan and Chairman of the State Inspection Commission of the Central People's Committee Chon Mun-sop.

The Koreans from abroad expressed deepest condolences to Marshal Kim Chong-il and expressed their determination to remain loyal and devoted to him and realise

without fail the desire of President Kim Il-song, who made so much efforts to present our people with a reunified country.

Comrade Kim Chong-il expressed thanks for this and conversed with them in a cordial atmosphere overflowing with compatriotic feelings.

Kim Chong-il Stands Honor Guard

SK1507002794 Pyongyang KCNA in English 2133 GMT 14 Jul 94

[Text] Pyongyang, July 14 (KCNA)—The son and daughter of Zhang Weihua and resident representative of the U.N. Development Programme G. Faruq Achikzad and his wife expressed condolences today before the bier of the great leader President Kim Il-song.

Comrade Kim Chong-il, supreme commander of the Korean People's Army, was standing as a guard of honour at the bier of the great leader President Kim Il-song.

Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and vice-president; Kim Yong-nam, member of the Political Bureau of the C.C. [Central Committee], the WPK, vice-premier of the Administration Council and minister of Foreign Affairs; Choe Kwang, member of the Political Bureau of the C.C., the WPK and chief of the General Staff of the Korean People's Army; and other senior party and state officials were standing as guards of honour at the bier.

Guards of honour of the three services of the KPA were standing by the bier.

While the dirge sounded solemnly, the guests laid wreaths, observed a silent tribute in memory of President Kim Il-song, the genius of mankind and the outstanding leader of the international communist movement, who devoted his whole life to the freedom and happiness of people, to the cause of global independence, to world peace and to friendship and solidarity among the peoples and saw round the bier.

The guests expressed deep condolences to the dear leader Comrade Kim Chong-il over the death of the great leader President Kim Il-song.

Comrade Kim Chong-il expressed thanks for this.

ITF President Choe Arrives

SK1307230194 Pyongyang KCNA in English 1600 GMT 13 Jul 94

[Text] Pyongyang, July 13 (KCNA)—Choe Hong-hui, president of the International Taekwon-to Federation [ITF], arrived here today to mourn the death of the great leader President Kim Il-song.

He was met at the airport by Kim Yong-sun and Cha Pyong-ok, chairman of the Korean Taekwon-to Committee.

Kim Chong-il Meets Compatriots

SK1507012094 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 14 Jul 94

[Text] Comrade Kim Chong-il, supreme commander of the Korean People's Army, yesterday received overseas compatriots who had been on a visit to the fatherland to express their condolences on the great leader Comrade Kim Il-song's death.

Present on this occasion were a condolence delegation of the General Association of Korean Residents in Japan [Chongnyon] led by Han Tok-su, chairman of the Chongnyon Central Standing Committee; Kang Il, chairman of the International Federation of Koreans for reunification; Choe Hong-hui, president of the International Taekwondo Federation Reunification; reporter Mun Myong-cha, a compatriot in the United States; Dr. Song Tu-yul, professor of the Munster University in Germany, who is a compatriot; Pak Kyong-yun, chairman of the Mt. Kumgang International Group; Yang Yong-tong, chairman of the Headquarters of Korean Residents in China of the National Alliance for the Country's Reunification [Pomminnyon]; Choe Ki-hwan, chairman of the European Regional Headquarters of Pomminnyon; Reverend Hong Tong-kun, a compatriot in the United States; a delegation led by Chon Chung-nim, chairman of the Canadian Regional Headquarters of Pomminnyon; and Kim Chin-kyong, a compatriot in the United States.

Present there were Comrade Yi Chong-ok, member of the Workers' Party of Korea [WPK] Political Bureau Central Committee and vice president; Comrade Kim Yong-nam, member of the WPK Central Committee Political Bureau, vice premier of the State Administration, and foreign minister; Comrade Choe Kwang, member of the WPK Central Committee Political Bureau and chief of the General Staff of the Korean People's Army; Comrade Kye Ung-tae, member of the WPK Central Committee Political Bureau and secretary of the party Central Committee; Comrade Choe Tae-pok, alternate member of the WPK Central Committee Political Bureau and secretary of the party Central Committee; Comrade Yang Hyong-sop, alternate member of the WPK Central Committee Political Bureau and chairman of the Supreme People's Assembly; Comrades Kim Ki-nam, Kim Kuk-tae, Kim Chung-nin, and Kim Yong-sun, secretaries of the WPK Central Committee; Comrade Kim Hwan, vice premier of the State Administration; and Comrade Chon Mun-sop, chairman of the State Inspection Committee of the Central People's Committee.

On this occasion, the overseas compatriots expressed their condolence to the dear leader Comrade Kim Chong-il, supreme commander of the Korean People's Army, with the deepest sense of grief. They, furthermore, expressed their resolve to fulfill, without fail, the earnest desire of great leader Comrade Kim Il-song, who had made every effort to give our people a reunified fatherland, by upholding Marshal Kim Chong-il with loyalty, devotion, and single-mindedness.

Comrade Kim Chong-il expressed his appreciation for this and had a warm conversation with the overseas compatriots filled with brotherly love.

Kim Chong-il Meets UNDP Official

*SK1507014994 Pyongyang Korean Central
Broadcasting Network in Korean 2107 GMT 14 Jul 94*

[Text] Children of Comrade Zhang Weihua and representative of the mission of the UN Development Program [UNDP] in our country, G. Faruq Achikzad and his wife, yesterday [14 July] visited the bier of the great leader Comrade Kim Il-song, and expressed condolences.

Comrade Kim Chong-il, supreme commander of the Korean People's Army [KPA], was standing beside the great leader Comrade Kim Il-song's bier.

Comrade Yi Chong-ok, member of the Political Bureau of the Workers Party of Korea [WPK] Central Committee and vice president; Comrade Kim Yong-nam, member of the Political Bureau of the WPK Central Committee, vice premier of the Administration Council, and foreign minister; Comrade Choe Kwang, member of the Political Bureau of the WPK Central Committee and Chief of the General Staff of KPA; Comrade Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee; Comrade Choe Tae-pok, candidate member of the Political Bureau and secretary of the WPK Central Committee; Comrade Yang Hyong-sop, candidate member of the Political Bureau of the WPK Central Committee and chairman of the Supreme People's Assembly; Comrades Kim Ki-nam, Kim Kuk-tae, Kim Chung-nin and Kim Yong-sun, secretaries of the WPK Central Committee; Comrade Kim Hwan, vice premier of the Administration Council, and Comrade Chon Mun-sop, chairman of the State Inspection committee of the Central People's Committee, were standing in line beside the bier.

The honor guards of the Army, Navy, and Air Force of the KPA were also standing in line.

While the solemn funeral was being played, the mourners laid wreaths and paid a silent tribute to Comrade Kim Il-song, a brilliant genius of mankind and outstanding leader of the international communist movement who devoted his whole life for the freedom and happiness of the people, for the cause of independence of the world, and for peace in the world and friendship and unity among the people. They looked around the bier.

The mourners expressed deep condolences to the dear leader Comrade Kim Chong-il over the death of the great leader Comrade Kim Il-song. The dear leader Comrade Kim Chong-il expressed thanks to them.

More Reports on International Mourning, Messages

Mourning Placard Hung in ROK

*SK1407153994 Pyongyang KCNA in English 1531
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA)—A placard mourning the death of the great leader President Kim Il-song in the

name of the "Patriotic Youth Society for Reunification" was hung on the wall of a tea house near university town in Kwanak District, Seoul, on the evening of July 10, adding to the sorrow and reverence of people for him, the Seoul-based radio Voice of National Salvation reported.

The following words were written in black on the red placard 1.5 metres long and 70 centimetres wide:

"We mourn with bitterest sorrow the death of respected President Kim Il-song revered by all people.

"The exploits of President Kim Il-song, an outstanding leader produced by the present time and the great sun of the nation, will be handed down through generations.

'Patriotic Youth Society for Reunification'

July 10, 1994."

Many passers-by stopped before the placard and shed tears of sorrow, expressing deep condolences on the death of respected President Kim Il-song.

Wallpapers mourning the death of President Kim Il-song have been put up at 22 universities across South Korea, a radio report from Seoul today said.

Cilreco Issues Special Statement

*SK1407150994 Pyongyang KCNA in English 1504
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA)—The International Liaison Committee for Reunification and Peace in Korea (Cilreco) released a special statement on July 10 on the death of the great leader President Kim Il-song.

The statement expresses deep condolences in bitterest grief at the death of President Kim Il-song, saying that he put forward wisest reunification proposals and united the whole nation into one in a nationwide struggle to carry them into effect.

The statement goes on:

The International Liaison Committee for Reunification and Peace in Korea and the progressive people all over the world will more actively conduct the struggle for an early realisation of Korea's reunification.

To do so is for all of us to pay a solemn tribute to President Kim Il-song.

Cilreco expresses again deep condolences to the Central Committee of the Workers' Party of Korea and the government of the Democratic People's Republic of Korea on the death of respected President Kim Il-song.

We are convinced that the cause of Korea's reunification and the cause of peace in the Korean peninsula and the rest of the world, desired by President Kim Il-song so earnestly, will be accomplished at an early date under the tested guidance of dear Marshal Kim Chong-il.

Cilreco calls upon its regional and national solidarity organisations to express highest homage and condolences on the death of respected President Kim Il-song and

invigorate the solidarity movement to have the independent and peaceful reunification and peace achieved at an earliest date on the Korean peninsula.

Service Held at WHO Regional Office

*SK1307232894 Pyongyang KCNA in English 1530
GMT 13 Jul 94*

[Text] Pyongyang, July 13 (KCNA)—A mourning service took place Monday at the Southeast Asia regional office of the World Health Organization (WHO) on the death of the great leader President Kim Il-song.

All the employees of the office were present at the mourning service, at which the director of the office conveyed the news of the unexpected death of President Kim Il-song.

The director of the administrative department of the office in his keynote speech said they could hardly repress sorrow at the sad news that His Excellency Kim Il-song, president of the Democratic People's Republic of Korea, passed away.

"We know well of the exploits made by his excellency president for the promotion of the health of the people and the development of health service and highly appreciate them. We hope that the Korean people will make a continuous progress in carrying forward this noble cause of his excellency president."

The participants in the service observed a moment's silence as a tribute to the memory of President Kim Il-song.

Guyanese President Visits Embassy

*SK1407152094 Pyongyang KCNA in English 1506
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA)—Cheddi Bharrat Jagan, president of the Cooperative Republic of Guyana, on July 11 visited the Korean Embassy in Georgetown to mourn the death of President Kim Il-song of the Democratic People's Republic of Korea.

Accompanying him were the foreign minister and Foreign Ministry officials. A wreath sent by him was lying before the portrait of President Kim Il-song.

He expressed condolences before the portrait of President Kim Il-song and made an entry in the mourner's book.

He asked the charge d'affaires ad interim of the Korean Embassy to convey his deep condolences on the death of President Kim Il-song to the Government and people of the Democratic People's Republic of Korea.

More Embassy Visits Reported

*SK1507051594 Pyongyang KCNA in English 0445
GMT 15 Jul 94*

[Text] Pyongyang, July 15 (KCNA)—The Chinese, Cuban, Syrian, Palestinian and Zairean ambassadors to Tanzania

visited the DPRK Embassy on July 11 and expressed deep condolences on the death of the great leader President Kim Il-song.

The Chinese ambassador wrote in the mourner's book "President Kim Il-song, the great leader of the Korean people and a close friend of the Chinese people, will be immortal. He said President Kim Il-song wisely led the socialist construction of Korea and made great efforts to strengthen sino-Korean friendship.

The Palestinian ambassador said:

"Comrade Kim Il-song is not only the great leader of the Korean people but also the great leader of the Palestinian people and the world progressive people.

"He made every possible effort to defend peace and freedom of the world.

"Though the heart of the great leader Comrade Kim Il-song stopped beating, his excellent ideology and idea will be immortal and will indicate the road ahead of the Korean people.

"I had the privilege of meeting the respected leader Comrade Kim Il-song. I firmly believe that the Korean party and government will certainly realize the noble idea of the great leader Comrade Kim Il-song under the guidance of Comrade Kim Chong-il, the illustrious leader."

PRC Vice President Sends Wreath

*SK1407160594 Pyongyang KCNA in English 1551
GMT 14 Jul 94*

[Text] Beijing, July 13 (KCNA)—Chinese Vice-president Rong Yiren sent a wreath to the DPRK Embassy in Beijing on July 11 as a tribute to the memory of the great leader President Kim Il-song.

The ribbon hanging from the wreath was inscribed with the letters reading "I mourn the death of President Kim Il-song with bitter grief."

Cuba Announces Mourning Period

*SK1507105494 Pyongyang KCNA in English 1047
GMT 15 Jul 94*

[Text] Havana, July 14 (KCNA)—A mourning period was proclaimed in the Republic of Cuba on the death of the great leader President Kim Il-song.

A decree in this regard was proclaimed by Fidel Castro Ruz, president of the Council of State of the Republic of Cuba, on July 11.

The decree says three days will be set as an official mourning period and the flag will be hung at half-mast at public and military buildings on July 15, 16 and 17 to mourn the death of Comrade Kim Il-song, president of the Democratic People's Republic of Korea.

Hanminjon Urges ROK Services

*SK1407160194 Pyongyang KCNA in English 1546
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA)—The Central Committee of the South Korean National Democratic Front (Hanminjon) published "An Article To the People" Wednesday calling on them to turn out in mourning services expressing deep condolences on the death of the great leader President Kim Il-song, the tender-hearted father of the Korean nation, the Seoul-based radio Voice of National Salvation reported.

Though the civilian fascist authorities issued "an special alert order" and "an A-class emergency alert" and are now hell bent on the suppression of the people, they cannot dampen the popular sentiments expressing condolences on the death of President Kim Il-song, the article says, and continues:

President Kim Il-song is not only the head of state but also the leader of our nation and its great father and peerless patriot.

His 80 odd years were a patriotic life wholly devoted to the country, the nation and the people. The death of President Kim Il-song, the great sun of the nation and an elder statesman of the world, is the biggest sorrow in the history of our nation and the bitterest pain for mankind. So, the whole world is overcome by grief and mourning services are now taking place in all parts of the global community.

Then, how can our people of the same ancestry gulp down bitter sorrow silently, fearful of the suppression by the authorities?

Let us arrange censer stands [as received] in all parts and mourn the death of the father of the nation.

If the fascist authorities ban mourning services in the streets, let us have them at churches, working sites and campuses. If they ban collective mourning services, let us have them separately.

The article calls on all the people and students to turn out in mourning services in all towns and villages to pay their last farewell to President Kim Il-song.

It expresses the belief that the whole nation will achieve great unity and surely accomplish the cause of reunification in the '90s as desired by President Kim Il-song, holding in high esteem General Kim Chong-il, the leader of the nation.

Malagasy Prime Minister at Embassy

*SK1407151994 Pyongyang KCNA in English 1508
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA)—Madagascan Prime Minister Francisque Ravony Wednesday called at the Korean Embassy in Antananarivo to mourn the death of the great leader President Kim Il-song.

He observed a moment's silence before a portrait of President Kim Il-song, expressing deep condolences, and

made an entry in the mourner's book. He told the ambassador that, since he had revered the great leader, he suspended a meeting of the government council and came to the embassy to express condolences on the death of the president.

He said:

"The great leader is the father of the Madagascan people.

"We will not forget him and he will always be alive in our hearts.

"As there is the dear leader Comrade Kim Chong-il, the prospect of Korea is bright and the people will be happy."

Syrian President Visits Embassy

*SK1407152494 Pyongyang KCNA in English 1517
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA)—Syrian President Hafiz al- Asad visited the Korean Embassy in Damascus Wednesday [13 July] to mourn the death of President Kim Il-song of the Democratic People's Republic of Korea.

He expressed deep condolences on the death of President Kim Il-song.

He wrote in the mourner's book: "We, with high respect for President Kim Il-song, highly appreciate the feats he performed in all fields for the Korean people and the efforts he made to develop friendship, fraternity and cooperative relations with Syria and will keep him in our cherished memory."

He told the Korean ambassador: "The death of President Kim Il-song is not only a loss for the Korean people but also a big loss for all of us, the loss of a great supporter of the cause of the Arab people and the cause of the Syrian people.

"Though President Kim Il-song passed away, he will always remain in the hearts of the Korean people and the world people. He is not gone.

"I believe that the Korean people will continue advancing as a powerful people along the line indicated by President Kim Il-song.

"The dear leader Kim Chong-il will surely accomplish the cause of President Kim Il-song. I hope to meet with him.

"Express deep condolences to him and the Korean people.

"President Kim Il-song is alive."

Raul Castro Expresses Condolences

*SK1407152894 Pyongyang KCNA in English 1521
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA) - Raul Castro, second secretary of the C.C. [Central Committee], the Communist Party of Cuba, first vice-president of the Council of State, first vice-president of the Council of Ministers and minister of Revolutionary Armed Forces of the Republic

of Cuba, called at the Korean Embassy in Havana on July 13 to mourn the death of the great leader President Kim Il-song.

He was accompanied by Chief of the General Staff of Revolutionary Armed Forces Ulises Rosales del Toro and Commander of the Western Army Leopoldo Cintras, who are Politburo members of the CPC Central Committee, and other cadres of the Ministry of Revolutionary Armed Forces.

Raul Castro and his companions expressed deep condolences before the portrait of President Kim Il-song.

Raul Castro wrote in the mourner's book: "Eternal glory to the great leader Comrade Kim Il-song. Paying homage in the name of the Ministry of Revolutionary Armed Forces."

He told the Korean ambassador that they were sharing the sorrow of Korea and the pain of Korean people is the pain of the Cuban people.

"We highly praise the exploits of Comrade Kim Il-song," Raul Castro said, stressing that he was a great military strategist.

Cuban Officials Visit Embassy

SK1507051194 Pyongyang KCNA in English 0436 GMT 15 Jul 94

[Text] Havana, July 13 (KCNA) [dateline as received]—Vice-President of the Council of State Carlos Lage Davila, president of the National Assembly of People's Power Ricardo Alarcon De Quesada, and Foreign Minister Roberto Robaina Gonzalez, who are Politburo members of the C.C. [Central Committee], the Communist Party of Cuba, and other party and government leaders called at the DPRK Embassy in Havana on July 13 to mourn the death of the great leader President Kim Il-song.

They observed a moment's silence before the portrait of President Kim Il-song, expressing deep condolences.

The vice-president of the Council of State said:

"The great leader Comrade Kim Il-song was the most intimate friend of the Cuban people.

"Only recently, I saw on the television screen the hale look of him receiving former U.S. President Jimmy Carter. It wrenches my heart to think that he passed away so suddenly."

The president of the National Assembly told the ambassador that Comrade Kim Il-song was the great leader of the heroic Korean people who defeated the Japanese imperialists, built socialism and wisely led the struggle for national reunification. "his ideology and leadership ability will always remain in the hearts of the peoples of Cuba and the world," he said.

Answering questions of reporters, the foreign minister said he does not doubt that Comrade Kim Chong-il who has perfect grasps on the ideology and leadership method of Comrade Kim Il-song would confidently lead the party and the people as intended by Comrade Kim Il-song.

Iranian President Visits Embassy

SK1407153194 Pyongyang KCNA in English 1513 GMT 14 Jul 94

[Text] Pyongyang, July 14 (KCNA)—Akbar Hashemi-Rafsanjani, president of the Islamic Republic of Iran, visited the Korean Embassy in Tehran Wednesday to mourn the death of President Kim Il-song of the Democratic People's Republic of Korea.

He expressed deep condolences before the portrait of President Kim Il-song and made an entry in the mourner's book.

He wrote that President Kim Il-song performed feats of historical significance in the struggle for the victory of revolution, the building of the state, the sovereignty of the people and territorial integrity, defended the country from the U.S. imperialists' invasion and successfully guided the building of the country.

Hoping that the Korean people will continue to victoriously carry forward the revolutionary cause started by President Kim Il-song, he asked the embassy to convey to His Excellency Kim Chong-il his regards and the will of the Iranian people to remain faithful to friendship and cooperation provided by the great leader President Kim Il-song.

Burundian Interim President Comments

SK1407153394 Pyongyang KCNA in English 1526 GMT 14 Jul 94

[Text] Pyongyang, July 14 (KCNA)—Burundian interim President Sylvestre Ntibantunganya visited the DPRK Embassy in Burundi to mourn the death of the great leader President Kim Il-song.

The interim president laid a wreath before the portrait of President Kim Il-song and observed a minute's silence expressing deep condolences.

He wrote in a mourner's book that the Korean people and the whole mankind have lost the great leader who devoted all his life to the struggle for building a society in which people live on their own efforts free from all manners of fetters and his august name will be imprinted forever in the memory of mankind as a leader who adorned the history of the 20th century brilliantly.

In an interview with reporters he said President Kim Il-song was a most outstanding leader in the 20th century.

"He liberated Korea from the Japanese imperialists' colonial rule through a long-drawn-out unremitting struggle and led the country to development.

"He indicated the road ahead of the peoples of the third world countries with his great practice", he said, adding:

"I am convinced that Korea's reunification which was not realized during the lifetime of President Kim Il-song will be achieved in the near future."

More Condolence Messages Reported

*SK1507112194 Pyongyang KCNA in English 1046
GMT 15 Jul 94*

[“Deepest Feeling of Reverence”—KCNA headline]

[Text] Pyongyang, July 15 (KCNA)—Mankind has lost the most distinguished leader of the present century.

The saddest news that the great leader President Kim Il-song passed away suddenly was flashed around the global community by mass media on July 9. The acute pain at the loss of the rare great man, the sun of mankind, shot through the space in a minute on countless electric waves.

People are expressing deep condolences on his death, irrespective of differences in country, nation, ism, political view and religious belief. This is an eruption of deepest reverence of all the people for the great man, the great leader.

Messages of condolence came from party and state leaders of nearly all countries of the world including China, Cuba and Laos, and prominent figures of political and public circles, grieving over the death of the president as a big loss of the world.

Leaders of many countries find it hard to repress grief, saying the death of President Kim Il-song is the loss of the most distinguished great man at the present time.

The Togolese president said that with President Kim Il-song passing away, we have lost the greatest and most distinguished man in the present times. “The world has lost a great and outstanding leader. His death is a big loss particularly for the cause of the third world,” the Ghanaian president said.

President Kim Il-song was an elder statesman of the world. He was one of the leaders of great statesmanship and high virtues recognized by the world. His august name as a great thinker and statesman is directly linked with the non-aligned movement.

Cambodian leaders including the king and first and second prime ministers expressed deep grief, saying that President Kim Il-song was the greatest hero and the sun of the world who founded the *chuche* idea.

The Indian prime minister expressed deepest condolences, stating that with President Kim Il-song passing away, the world has lost a legendary great man.

Party and state leaders, political and public figures of the host countries visit the DPRK embassies every day to share sorrow with the Korean people upon the loss of their great leader.

The Governments of Cambodia, Vietnam, India, Thailand, Syria, Nepal, Cuba and many other countries set national mourning periods, expressing deepest condolences on the death of the president.

The Communist Party of Great Britain, the Socialist Party of Ecuador and many other foreign political parties called

emergency meetings and adopted decisions or published statements on mourning his death on the party-wide scale.

Memorial services have taken place in succession by *chuche* idea study groups and local cities of many countries.

President Kim Il-song was the greatest man who fascinated the world people with his noble human love and virtues. That is why the whole world is expressing sincere condolences on his death.

The incumbent President and former President Jimmy Carter of the United States published statements expressing deepest condolences on his death.

The head of the U.S. side to the DPRK-U.S. high-level talks visited the DPRK Mission in Geneva together with the members of his delegation and expressed grief.

The Canadian governor general and the Japanese prime minister extended deep condolences to the bier of the president, breaking the precedent.

The French president said President Kim Il-song was a great head of state, deeply grieving over his death.

The UN secretary general expressed condolences and the UN Security Council observed a moment's silence.

Sincere condolences transcending ideology and political view are being expressed not only by heads of state but also by political parties, public organisations, prominent figures of many countries.

The president of the Liberal Democratic Party of Japan, former Prime Minister of Japan Toshiki Kaifu, former President of Costa Rica Rodrigo Carazo, former Governor General of Canada Edward Schreyer and many other personages, and political parties and public organisations of many countries mourned the death of President Kim Il-song through their messages of condolence.

Upon hearing the news of his death, nearly all the countries and peoples of the five continents are sharing sorrow with the Korean people.

President Kim Il-song will always be alive in the hearts of mankind.

More Foreign Political Figures Mourn

*SK1507111794 Pyongyang KCNA in English 1014
GMT 15 Jul 94*

[Text] Pyongyang, July 15 (KCNA)—Political and public figures in Italy, Spain, Uzbekistan, Bulgaria, Kazakhstan and the Czech Republic called at the DPRK missions in their countries over July 10-11 to mourn the death of the great leader president Kim Il-song.

Hardly repressing grief for the death of President Kim Il-song, they laid wreaths before his portrait and observed a minute's silence expressing deep condolences.

They wrote their bitter feelings in mourner's book.

Roberto Gabriele, general secretary of the Movement for Peace and Socialism of Italy, wrote: We will fight to the end for the noble cause by changing the biggest sorrow for the loss of the great President Kim Il-song, an eldest veteran of the international communist movement, into strength.

Giancarlo Elia Valori, secretary general of the Italian Institute of International Relations, wrote in mourner's book: "The death of the great leader, president of the Democratic People's Republic of Korea, is a great sorrow of all of us.

It is a biggest sorrow and loss not only for the entire Korean people but also for the world community that you have passed away at this historical juncture with many important affairs ahead at home and abroad."

A German woman writer, Luise Rinser, wrote: "With a biggest grief at the loss of you great man, the beloved Korean people are weeping, so am I".

Saying it seems that a part of her heart has been removed she said she was spending days in tears and nights awake, looking back upon the favour he had shown to her.

Boris Petkov, chairman of the Executive Council of the C.C. [Central Committee], the Bulgarian Communist Party (Marxists), wrote:

We are firmly convinced that the fraternal Korean people will accomplish to the end the revolutionary cause started by the great leader Comrade Kim Il-song under the wise leadership of Comrade Kim Chong-il.

The co-chairman of the Socialist Party of Kazakhstan, P.V. Svoik, said that although Comrade Kim Il-song passed away, the Korean people will emerge victorious in any storm and trial as long as there is Comrade Kim Chong-il.

Ukrainian ambassador to Uzbekistan said the exploits of the great leader Comrade Kim Il-song will be everlasting as the globe is.

More Foreign Leader Condolences

*SK1507050994 Pyongyang KCNA in English 0442
GMT 15 Jul 94*

[Text] Pyongyang, July 15 (KCNA)—Messages of condolence came to the dear leader Comrade Kim Chong-il from foreign party leaders on the death of President Kim Il-song, the great leader.

The messages were sent by former Madagascan President Didier Ratsiraka, general secretary of the Action for the Renaissance of Madagascar; chairman of the C.C. [Central Committee], the People's Party of Cambodia Chea Sim; chairman of the National Committee of the Genuine Lumumbist Combatants of Zaire Otete Gaston Mboyo; general chairman of the Indonesian Democratic Party Megawati Sukarnoputri; chairman of the Funcinpec Party of Cambodia Norodom Ranariddh; chairman of the Liberal Democratic Party of Russia V.V. Zhirinovskiy; chairman of the Executive Committee of "Working Russia" Movement V. Anpilov; and chairman of the

Central Executive Committee of the Japan Social-Democratic Party Tomiichi Murayama.

They said that the death of President Kim Il-song was a biggest loss for the Korean people and the oppressed people the world over.

They stressed that he would be immortal.

The messages expressed the belief that the Workers' Party and the people of Korea, under the wise leadership of Comrade Kim Chong-il, would change the sorrow into strength and courage and valiantly struggle to accomplish the revolutionary cause of *chuche* pioneered by President Kim Il-song and realise the independent and peaceful reunification of the country.

Meanwhile, a message of condolence came to Comrade Kim Chong-il from the Political Executive Committee of the Kazakh Socialist Party.

More Presidents Send Condolences

*SK1507111894 Pyongyang KCNA in English 1021
GMT 15 Jul 94*

[Text] Pyongyang, July 15 (KCNA)—Messages of condolence came to the dear leader Comrade Kim Chong-il from presidents of different countries on the death of the great leader President Kim Il-song.

Messages were sent by President of the United Republic of Tanzania Ali Hassan Mwinyi, Cameroonian President Paul Biya, President of Malawi Bakili Muluzi, President of the State of Eritrea Isaias Afwerki, President of the Federal Islamic Republic of Comoros Said Mohamed Djohar, President of Kyrgyzstan Askar Akayev, Bulgarian President Zhelyu Zhelev, Armenian President Levon Ter-Petrosyan, President of Turkmenistan Saparmurad Niyazov, Uzbek President Islam Karimov and President of the Federal Republic of Yugoslavia Zoran Lilic.

The message from Tanzanian President Ali Hassan Mwinyi says:

"His excellency president was, indeed, a great leader.

"He devoted his all to the reunification of the country, and was a strong protector of South-South cooperation and a genuine defender of the non-aligned movement.

"President Kim Il-song will remain forever in the hearts of the Korean people and many peoples of the world."

Papers Laud Kim Il-song's Accomplishments

*SK1507045694 Pyongyang KCNA in English 0431
GMT 15 Jul 94*

["Revolutionary Exploits of the Leader Widely Introduced"—KCNA headline]

[Text] Pyongyang, July 15 (KCNA)—On the death of the great leader President Kim Il-song, news media of the Democratic People's Republic of Korea are widely introducing his undying revolutionary exploits for the motherland and the revolution, the working class and the people.

NODONG SINMUN, the organ of the Workers' Party of Korea, under the blockletter titles "Whole Life of Great Comrade Kim Il-song Is a Glorious Revolutionary History Devoted to the People" and "The Great Leader Comrade Kim Il-song Is the Benefactor of Liberation and a Peerless Patriot", introduced his revolutionary activities on July 10, 11 and 12 with pictures of the great leader in his middle school days, in the period of anti-Japanese revolutionary struggle and the building of new fatherland, after it conveyed the sad news of the death of President Kim Il-song on July 9.

MINJU CHOSON, PYONGYANG SINMUN and other papers also carried articles on the revolutionary exploits of President Kim Il-song.

Radios and televisions are airing the reminiscences of the great leader, documentary films on his revolutionary activities and the revolutionary film "star of Korea".

Respected President Kim Il-song is the greatest leader of the working class who developed the modern history on a new basis and exalted it with profound revolutionary theories and great revolutionary practice from his early years, displaying with extraordinary intelligence and outstanding leadership ability and noble communist virtues which nobody had possessed and the affectionate father of the Korean people who brilliantly adorned the whole course of his protracted revolutionary struggle with intense devotion to the revolutionary cause and warm love for the people.

All of the most precious and proud things of the Korean people are connected with the August name of the leader.

So, the Korean people are expressing deepest condolences with profound reverence, overcome by grief at the death of President Kim Il-song.

Dailies and radios every day report about working class, co-op farmers, People's Army soldiers, intellectuals and youth and students throughout the country, shedding tears in sorrow.

NODONG SINMUN July 12 gave prominence to a report that Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and Supreme Commander of the Korean People's Army, accompanied by leading party and state officials, deeply mourned the death of the great leader President Kim Il-song before his bier.

News media also carry reports that deep condolences are expressed in many countries and working people across the country are effecting a new revolutionary upsurge in production and construction, changing the sorrow into strength and courage.

Kim Il-song's Feats, Guidance Highlighted

SK1407162394 Pyongyang KCNA in English 1613 GMT 14 Jul 94

["Life Devoted to People"—KCNA headline]

[Text] Pyongyang, July 14 (KCNA)—The entire Korean people, upon hearing the sad news of the death of the great leader President Kim Il-song, are now looking back on his whole life devoted to their happiness and on his immortal revolutionary feats.

The whole life of respected President Kim Il-song was devoted to the people.

The great leader President Kim Il-song said:

"I embarked on the path of revolution with a determination to dedicate myself to the country and my fellow people, and ever since my love for the people has always been uppermost in my mind."

President Kim Il-song, who set on the road of revolution in his early years, assuming the responsibility for the destiny of the country and the nation, never thought of himself apart from the people.

He did not take a day's rest in his life of more than 80 years, tasting all the bitterest sorrows and biggest misfortunes, pains and trials for the people.

He, who brought freedom and liberation to the Korean people through the rigorous anti-Japanese revolutionary struggle, made endless trips of on-the-spot guidance for the happiness of the people, rain or snow, for nearly half a century of the building of a new country and socialist construction.

Field paths, lanes in remote mountainous areas and all other broad and narrow roads leading to every nook and corner of the country are associated with historical records of President Kim Il-song's great on-the-spot guidance showing the history of changes and creation that took place on this land.

In October 1945 when the whole country was seething with the joy of the liberation, the great leader went to see the workers of Kangson passing by his old home in Mangyongdae, that he had missed so much for 20 years of the anti-Japanese revolutionary struggle. He gave on-the-spot guidance to Chongsan-ri more than one hundred times for the betterment of the peasants' living.

With a view to creating the Chongsan-ri spirit and the Chongsan-ri method, the idea and method of mass leadership, he stayed in a humble farmhouse in the Chongsan cooperative farm with peasants for half a month in February 1960, conversing with them and guiding a meeting of a party cell. Since the country was liberated, he had given on-the-spot guidance to a large number of industrial establishments, cooperative farms, educational and cultural institutions, health organs, etc.

Last year he, above 80, gave on-the-spot guidance to factories, farms, a university, etc. making a long journey from North Hamgyong Province in the northern tip of the country to Pyongyang, South Phyongan Province and to Yonbaek plain in South Hwanghae Province adjacent to the demarcation line.

On June 19 and 21 this year, shortly before his death, he guided the farming work, walking through fields of the Kumdang cooperative farm, Onchon county, and the Taesong district cooperative farm.

The great leader shaped all the policies for the people and built factories, dwelling houses and theatres also for their happiness.

In June 1956 when the first test products of vinalon were produced in the country, he was deeply pleased, saying cloth of better quality would now be supplied to the people. He chose the construction site of a vinalon factory on the spot and, when the construction was finished, he went to the factory to participate in the commissioning ceremony and highly praised the doctor who invented vinalon, saying he did a great thing for the people. And he entertained the builders of the factory to a banquet and personally filled the cup for the doctor.

On the way of on-the-spot guidance in June 1976, the great leader met on a field path an official of the Sowon cooperative farm, Pyoksong county, which had been turned into a modern socialist rural community, and posed for a photograph with him.

In recent years, he was very pleased to see that Chong Chun-sil, director of the Jonchon county commercial management office, Jagang Province, has done a good work as a true servant of the people for several dozen years from her girlhood and saw to it that the whole society learned from her example.

Under the deep loving care and trust of President Kim Il-song, those who were maltreated with no rights in the past are now deputies of the Supreme People's Assembly, heroes and scientists and our people are fully enjoying a happy life independent and creative.

So, the Korean people have remained faithful to President Kim Il-song, holding him in high esteem as their great leader and tender-hearted father.

Though President Kim Il-song passed away, the immortal feats he performed, devoting his whole life to the people, will always remain in the hearts of the Korean people through centuries.

More Expressions of Support for Kim Chong-il

Kim Chong-il 'Inheriting' Chuche

*SK1507081894 Pyongyang Korean Central
Broadcasting Network in Korean 1145 GMT 14 Jul 94*

[Unattributed talk: "Our Party Is a Great Party Which Is Brilliantly Inheriting and Consummating the Chuche Revolutionary Cause"]

[Text] Today our people are vigorously accelerating the cause of modeling the whole society after the chuche idea under the leadership of the Workers Party of Korea [WPK]. The course of the Korean revolution for nearly 70 long years was indeed a glorious chronicle during which the great leader [suryong] achieved the historic cause of national liberation, class liberation, and, thus, unfolded a

new era of great national grandeur and prosperity on this land by leading the sacred chuche revolutionary cause to the single road of victory, upholding the banner of the chuche idea.

The chuche revolutionary cause pioneered by the great leader Comrade Kim Il-song is the cause pioneered and advanced under the banner of the chuche idea. It is also the most sacred mankind liberation cause to completely realize independence of the masses of working people.

Our people's cause, that is, the chuche revolutionary cause, has come far, and the march for its consummation is being vigorously accelerated today under the leadership of our great party.

In the historic period when the chuche revolutionary cause entered a new high stage, our party unfolded the blueprint for a brilliant future of communism, our party wisely led the struggle for its realization. Thus, today our party is achieving the great victory which will shine forever in the history of our nation.

The dear leader Comrade Kim Chong-il has indicated: We should brilliantly consummate the chuche revolutionary cause, that is, the socialist, communist cause, by continuing indomitable struggles along the road of the revolution started from the majestic Mt. Paektu. The WPK is the great party, which leads our people to the victorious advance of the chuche cause, and to the single road of its consummation.

It is great joy and pride of our party and people that the chuche revolutionary cause pioneered by the great leader is being firmly inherited generation after generation and winning victory after victory by Comrade Kim Chong-il, the dear leader of our party and people and the supreme commander of our revolutionary Armed Forces. The dear leader Comrade Kim Chong-il is brilliantly inheriting and consummating the chuche revolutionary cause with his excellent ideological and theoretical activities and tremendous revolutionary practice and, thus, has produced immortal achievements for the party, the revolution, the fatherland, and the people.

The immortal achievements that our party has produced in the struggle to inherit and consummate the chuche revolutionary cause are, first of all, that it has made it possible to carry on the revolutionary cause pioneered and developed by the great leader with its purity intact.

The problem which arises in consummating the working class' revolutionary cause generation after generation is, first of all, to inherit the cause of the leader [suryong] who pioneered the road of the revolution for the first time.

Adhering to purity in inheriting the working class' revolutionary cause means to see to it that the revolutionary cause pioneered by the leader continues as it is and invariably even though the generation of the revolution changes.

The working class' revolutionary cause is advanced and consummated with the revolutionary assets provided by

the leader as a cornerstone. Only when these revolutionary assets are defended with its purity intact can the working class' revolutionary cause continue firmly without losing its character and inherent nature as the leader's cause no matter how far the time may pass.

The dear leader comrade, defining the struggle to inherit the great leader's revolutionary cause as a struggle to carry on the bloodline of *chuche*, has wisely led our people to adhere to the unitariness [*yuilsonng*] of the leader's ideology and leadership and the party's revolutionary tradition with purity intact and to inherit and develop them.

The basis in inheriting generation after generation the cause of the leader [*suryong*] who pioneered the road of the revolution for the first time is to ensure and inherit unitariness of ideology and leadership. The dear leader Comrade Kim Chong-il, regarding the problem of inheriting unitariness of ideology and leadership as a basic problem to inherit and consummate the revolutionary cause generation after generation, has energetically pushed ahead with the struggle to establish the unitary ideology system of the party.

Our party, defining the work of establishing the unitary ideology [*yuil sasang*] system of the party as the basic task of its work, has vigorously conducted education in the party's unitary ideology and established an orderly system under which the entire party unanimously moves under the party center's unitary leadership and safeguards and implements party policies under the principle of absoluteness and unconditionality. As a result, the unitariness of ideology and leadership of our party has been realized at the highest level and has become a mighty one enjoying eternal vitality.

The revolutionary tradition is a precious revolutionary asset to consummate the working class' revolutionary cause and a weapon to continue the generation of the revolution.

Deeming it an important problem related to the destiny of the party and the revolution to safeguard, defend, brilliantly inherit, and develop our party's revolutionary tradition, the dear leader Comrade Kim Chong-il has led all party members and the working people to be loyal on the single road of the revolution by continuously strengthening education among them in the revolutionary tradition as the revolution advances, deepens, and develops. Thus, he has seen to it that party members and the working people thoroughly embody the anti-Japanese revolutionary spirit in all sectors of society. As a result, our party's glorious revolutionary tradition has been defended with purity intact and brilliantly inherited and developed, and the *chuche* cause has been firmly advanced on the basis of this revolutionary tradition.

Another achievement that our party has produced on the road of inheriting and consummating the *chuche* revolutionary cause is that it has built a strong revolutionary main force. To consummate the revolutionary cause pioneered by the leader [*suryong*] to the end and generation after generation, it is imperative, first of all, for the

working class' party to build a strong main force of the revolution. Only when we strengthen a main force of the revolution by all means by firmly rallying the entire party and all the people around the leader can we firmly defend the revolutionary cause pioneered by the leader and victoriously advance it under any difficult circumstance.

The dear leader Comrade Kim Chong-il set forth a revolutionary policy on modeling the entire party after the *chuche* idea and has wisely led the struggle for its realization. Thus, he has strengthened and developed our party into a *chuche* revolutionary party and into the powerful and mighty general staff of the revolution with invincible leadership ability and combat capability.

In particular, the dear comrade leader has seen to it that all activities of our party and all fields of party work are directed toward establishing the unitary ideology system of the party so that only one ideology, that is, only the *chuche* idea can exist in the party. In this way he has firmly deepened the entire party's unity of ideological will.

Along with this, the dear comrade leader has also thoroughly implemented the mass line and firmly rallied the popular masses around the party and the leader by presenting the slogan, "We Serve the People," for the first time in history. Thus, he has strengthened our revolutionary ranks by all means.

Indeed, this is the most noble and immortal revolutionary achievement that the dear leader Comrade Kim Chong-il has produced in the course of victoriously advancing the *chuche* revolutionary cause.

Another achievement that our party has produced in the struggle to inherit and consummate the *chuche* revolutionary cause is that it is leading with certainty the struggle to realize the popular masses's independence to its final victory.

The final objective of the revolution is to completely realize the working masses' independence. Our party set forth a program of modeling the whole society after the *chuche* idea in conformity with the mature demands of the developing revolution and has wisely led the struggle for its implementation. As a result it has opened a new era to extensively realize the popular masses' independence.

Modeling the whole society after the *chuche* idea is a great communist construction program which has provided a clear milestone for completely realizing the cause of liberating human beings by continuing the revolution once national liberation and class liberation are achieved.

Thanks to the dear comrade leader who expounded upon the great program of human liberation and who has wisely led the struggle to implement the line of the three revolutions—ideological, technological, and cultural—the *chuche* revolutionary cause, that is, the socialist, communist cause, is being accelerated at an extraordinary speed.

The epochal changes effecting the work of human remolding, nature remaking, and social reform, are clear evidence of the greatness of the leadership of the dear leader

Comrade Kim Chong-il who is brilliantly consummating the *chuche* revolutionary cause generation after generation.

Today, our party and people are faced with the sacred task to sternly repel the frantic maneuvers of the imperialists and reactionaries and, thus, to consummate the socialist cause and the historic cause of national reunification.

We cannot think of the victorious advance of our revolution and the consummation of the socialist cause apart from the leadership of our great party.

The dear leader Comrade Kim Chong-il is the great leader [widaehan yongdoja] of our revolution who is brightening the world with his farsighted wisdom and who is leading our party and people only to the single road of victory and glory with his outstanding and tested leadership.

Today, our people are looking ahead to the brilliant future of the final victory of our revolution under the dear comrade leader's wise leadership.

As long as the dear leader Comrade Kim Chong-il stands at the head of our revolution and as long as there are our people who are infinitely faithful to the party and the leader [suryong] there will only be victory and glory on the road ahead of our revolution and socialist cause, and the *chuche* revolutionary cause will be consummated.

Called Successor to Chuche Cause

SK1507105194 Pyongyang KCNA in English 1034
GMT 15 Jul 94

["Sorrow Turns Into Resolution"—KCNA headline]

[Text] Pyongyang, July 15 (KCNA)—Korea now is overwhelmed with greatest grief in the national history.

From the moment when the sad news of the death of the great leader President Kim Il-song was flashed over the country like a bolt from the blue, wail rocking the sky and earth filled the streets, villages, work sites and families across the country, never ceasing.

Tears are flowing in streams to form a river and the land is writhing in grief.

Overcome by uncontrollable grief, people are streaming to his bronze statues standing in the capital city of Pyongyang and various parts of the country and his time-honoured old home in Mangyongdae, where they burst into convulsive sobs.

"Fatherly leader, how could you go like this?"

"Father!" "Grandfather!"

People are writhing in agony, beating their chests, in face of the painful reality. It is the bitterest grief of the nation which has lost the sun in the sky.

Many people, men and women, old and young, went faint at the shocking news of the sudden death of the fatherly leader who was so hale and hearty [as received].

The working people of various strata and students and school children, motionless like stones, would not leave the statues of the leader. They say they wish they were able to make the heart of the fatherly leader beat again by dedicating the hearts of them all.

They flow to the Mansu Hill in steady streams to see the image of the fatherly leader which constantly attracts their minds.

This scene represents the intense loyalty of the people who have lived under the deep loving care of the respected leader, the great leader, the great hero and the great father, holding him in high esteem as the father of the great family of the whole nation.

This sorrow of the nation that would be remembered through tens of thousands of years is now turning into an unbreakable resolution.

"Let us carry the revolutionary cause of *chuche* to accomplishment without fail, holding dear Comrade Kim Chong-il in high esteem, remaining faithful to the intention of the great leader President Kim Il-song in his lifetime!"

"The leader is not gone. There is the supreme commander Comrade Kim Chong-il for us. Let us become rifles and bombs defending him."

Peoples of various strata across the country are making such an oath of loyalty to Comrade Kim Chong-il.

There is a rock-firm faith in the hearts of the Korean people. It is the unshakable conviction that they will certainly win in whatever trial and under whatever complicated situation, because there is Comrade Kim Chong-il, the great successor to the revolutionary cause of *chuche*, the outstanding leader of the Workers' Party and the people of Korea and the supreme commander of the revolutionary armed forces.

This sole resolution is to remain intensely loyal to the ideology and leadership of Comrade Kim Chong-il, keenly feeling that this is the way of showing to him utmost loyalty and filial piety that they could not fully devote to the fatherly leader, considering the destiny of Comrade Kim Chong-il, the true leader of the people with both literary and military accomplishments, as their own destiny and the destiny of the motherland.

Let us further cement the singlehearted unity of the whole society with Comrade Kim Chong-il at its centre.

Let us become a foundation stone supporting the cause of the Workers' Party of Korea with energy and knowledge.

Let us defend Comrade Kim Chong-il, the destiny of the motherland, the revolution and people and lay down our lives for him!

This is the firm resolution of the Korean people who have risen up by changing the sorrow into strength and courage.

People, Officers Pledge Loyalty

*SK1507104494 Pyongyang KCNA in English 1008
GMT 15 Jul 94*

[Text] Pyongyang, July 15 (KCNA)—The visitors to the bier of the great leader President Kim Il-song, feeling bitter grief, make oath of loyalty.

Tae Pyong-yol and Kim Yong-yon, anti-Japanese revolutionary fighters who traversed a bloody path under the guidance of the great leader, solemnly pledged to reunify the country as wished by Generalissimo Kim Il-song and acclaim respected supreme commander General Kim Chong-il on the rostrum of a military parade of victory, saying that the generalissimo regarded national reunification as the greatest gift he could give to the people, but regrettably he is gone without seeing the reunification.

Twice labour hero O Myong-su, head of the high-speed tunnelling workteam of the Tokchon coal mine of the Tokchon area coal complex, said:

"Great leader, we make a pledge, repressing our sorrow.

"We have nothing to fear and nothing to desire in the world as we have the dear leader succeeding your revolutionary cause at the head of our revolution.

"I will devote my body and soul to effecting a new upswing in coal production, remaining faithful to the dear leader's guidance."

Labour heroine Yi Hwa-sun, secretary of the primary party committee of the Pyongyang textile combine, said: "The respected leader chose the site of our combine and led it kindly, giving on-the-spot guidance to it on more than 40 occasions. We entire employees of the combine firmly pledge to uphold with loyalty the illustrious leader general Kim Chong-il at the head of our party and revolution as wished by the leader in his lifetime and produce larger quantities of good-quality textiles for the reunification of the country and the accomplishment of the revolutionary cause of *chuche*."

Yu Chong-yol, an officer of the Korean People's Army [KPA], said: "I will uphold respected comrade supreme commander at the head of our party, state and revolutionary Armed Forces as wished by the great leader President Kim Il-song and remain true to the cause of the president to the last through singlehearted unity. I will promote national reunification, shouting 'Long Live General Kim Chong-il!' and acclaim comrade supreme commander on the high rostrum of reunification."

Yang Chong-pil and Chang Song-ik, generals of the Korean People's Army, and Choe Un-phyong, an officer of the KPA, wrote in the mourner's book: "We will change this sorrow and agony into a thousand-fold strength and courage. We feel reassured as we have respected supreme commander General Kim Chong-il, the most brilliant commander and the greatest of the great men. We are sure to win. We will acclaim respected General Kim Chong-il on the rostrum of reunification and accomplishing the

cause of national reunification, the revolutionary cause of *chuche* as wished by the fatherly leader Generalissimo Kim Il-song."

Peaceful Solution to U.S.-DPRK Issue Urged

*SK0907141594 Pyongyang KCNA in English 1045
GMT 9 Jul 94*

[Text] Pyongyang, July 9 (KCNA)—The United Nations with its mission to maintain world peace and security should make all efforts for a diplomatic solution between the Democratic People's Republic of Korea and the United States.

This was said in a letter to the president of the UN Security Council on June 20 sent by honorary chairmen of the international liaison committee for reunification and peace in Korea—ex-president of Portugal Francisco Da Costa Gomes, ex-prime minister of Malta Dominic Mint-off, chairman of the Wallon district council of Belgium Willy Burgeon, president of the greek committee for struggle against foreign military bases and chairman of the Western Europe committee for Korea's reunification and peace George Pattas who is former general of Greece, former Mayor of Geneva Rojer Dafflon and secretary general of the international association of democratic lawyers and former minister of justice of Algeria Amar Bentoumi in their joint name urging a peaceful solution of the Korean question.

The letter said that any forcible step against the DPRK is not a way of solving the question but will bring a miserable consequence to the Korean people as well as the world people.

It expressed the hope that the UN Security Council will encourage a solution to the question through negotiation and take a practical step to implement the resolution (3390b) of the 30th session of the UN general assembly on replacing the 1953 Korean Armistice Agreement with a peace agreement.

'Support' for Withdrawal From IAEA Noted

*SK0907132494 Pyongyang KCNA in English 1031
GMT 9 Jul 94*

[Text] Pyongyang, July 9 (KCNA)—Political parties and public organisations of different countries expressed support to the measure of the Democratic People's Republic of Korea in withdrawing from the International Atomic Energy Agency (IAEA) against its unreasonable "resolution".

The Political Bureau of the Central Committee of the Peruvian Communist Party in a statement adopted at a meeting on June 22 said that the DPRK's withdrawal from the IAEA which has been turned into an unpardonable machine infringing upon the sovereignty of the Korean nation was an entirely just step. The nuclear issue of the Korean peninsula must be solved through dialogue under any circumstances, it added.

The Nepal-Korea Friendship Association and the Nepalese Committee for Supporting Korea's Reunification in a recent statement said the declaration of the DPRK's withdrawal from the IAEA was a just self-defensive measure to defend the sovereignty and dignity of the country. This clearly proves that the DPRK has made painstaking efforts to solve the nuclear issue peacefully through dialogue, they said.

The national executive committee of the Youth Independent Revolutionary Front of Mali in a June 25 statement noted that the IAEA following the lead of the United States adopted an unreasonable resolution against the DPRK, motivated by the purpose to stifle socialist Korea.

The socialist progressive party of Lebanon in a statement on June 16 denounced the unreasonable "resolution" of the IAEA and called upon peace-loving countries and peoples of the world to make every possible effort for peace on the Korean peninsula and the world.

The chairman of the Centre for Peace Foundation of Malaysia in a statement called upon parties concerned to find a peaceful solution to the nuclear issue.

Foreign Groups Express Solidarity With Seoul

SK1207152594 Pyongyang KCNA in English 1504 GMT 12 Jul 94

[Text] Pyongyang, July 12 (KCNA)—A joint statement was released in Madrid on July 4 by 54 political parties, national and international organizations of the world including the Left Coalition of Spain, the Spanish Communist Party, the Communist Party of the Peoples of Spain, the Italian Party for Communist Refoundation, the Egyptian National Council for Peace, the Cyprus Peace Council, the International Liaison Committee for the Reunification and Peace in Korea (Cilreco), the World Peace Council and the International Association of Democratic Lawyers in the current month of international solidarity with the Korean people (June 25- July 27).

The joint statement expressed support to the proposal of the Democratic People's Republic of Korea for the replacement of the Korean Armistice Agreement signed in 1953 with a peace agreement for removing the danger of war and ensuring the peace and security of the Korean peninsula.

Foreign Groups Support 10-Point Unity Program

SK0907142994 Pyongyang KCNA in English 1054 GMT 9 Jul 94

[Text] Pyongyang, July 9 (KCNA)—The signature campaign supporting "10-point programme of the great unity of the whole nation for the reunification of the country" put forward by the great leader President Kim Il-song continue sweeping international organisations and countries.

Joining in the campaign in June were the Arab Democratic Party and the Party of National Action Front in Jordan, the Central Committee of the Women's Union of the African National Union- Patriotic Front and Mabut and

Hwazane districts, Harare, in Zimbabwe. And it was held in Zulin, Kromrerizi and Rokitcani in the Czech Republic and 35 Provinces in Guinea.

The general secretary of the Communist Party of Malta, the chairman of the Malta-Korea Friendship Association, the director of the Sierra Leonean News Agency, the principal of the Milton Magai Teachers College in Sierra Leone, and the advisor to the Sierra Leone-Korea Friendship Association signed the signature paper in the name of the members of their organisations.

Leading officials of the Nigerian Association for World Peace and the Voluntary Work Camps Association of Nigeria signed paper on behalf of the members of their organisations.

The Asian, African and Latin American People's Solidarity Organisation, the Palestinian Organisation for Peace and the National University of Kazakhstan also joined the signature campaign.

Hanminjon: Kim Yong-sam Creates Ties Discord

SK1407155094 Pyongyang KCNA in English 1538 GMT 14 Jul 94

[Text] Pyongyang, July 14 (KCNA)—The spokesman of the South Korean National Democratic Front (Hanminjon) issued a statement on July 11 denouncing Kim Yong-sam for rashly acting at a time when all the fellow countrymen are shedding tears in grief and the world is expressing deep condolences on the death of the great leader President Kim Il-song, the Seoul-based radio Voice of National Salvation reported.

The spokesman said:

Less than 30 minutes after the release of the sad news, the South Korean authorities called "a national security meeting" and "an emergency cabinet meeting", issued "a special alert order" to the whole Army and put police on "a-class emergency alert." This is a folly of firing at a family in mourning.

Far from sharing sorrow at the unexpected misfortune on the threshold of North-South summit talks, the South Korean authorities abuse it politically and provoke the fellow countrymen who have lost the leader of the nation. This is a rude act devoid of common sense from the moral point of view, apart from ideology and ideal, and an inhuman act devoid of elementary etiquette.

Respected President Kim Il-song is the tender-hearted father of our nation who devoted all his energy and efforts for the sake of the nation all his life.

It was with a magnanimity for the nation that President Kim Il-song, an elder statesman in the world, offered to meet Kim Yong-sam who was running about, bereft of reason, to do harm to fellow countrymen with the help of outside forces.

This was a helping hand stretched to the chief executive of South Korea standing on the edge of a cliff.

If he had a shred of national conscience, he should have shared the sorrow and expressed condolences.

But, Kim Yong-sam incited antagonism over the misfortune of fellow countrymen and issued "an alert order" and "an a-class emergency alert" to the whole Army and police, getting on the nerve of fellow countrymen. He cannot be called a human being, still less a politician.

The authorities are failing to conceal the fact that they are dreaming a foolish dream of realising a sinister intention by taking advantage of the misfortune in the North.

They are hourly and daily collecting information about the North, saying "there is no change inside the North." They remind us of a mad man.

This rude act against the dialogue partner is a knavish act of doomed wretches. They will only leave a disgraceful record before the nation.

Our Hanminjon and the entire people will never tolerate the Kim Yong-sam group's reckless act of creating discord and tension again in the North-South relations.

ROK 'Crackdown' on Railway Strike Condemned

*SK0907141294 Pyongyang KCNA in English 1036
GMT 9 Jul 94*

[Text] Pyongyang, July 9 (KCNA)—The director of the worker-peasant department of the Central Committee of the South Korean National Democratic Front (Hanminjon) in a recent statement branded as a grave political terrorism against labour movement the South Korean authorities' crackdown upon strikes and sit-in of the toiling masses which are growing in scope following the general strike of the "national council of locomotivemen" with the mobilisation of "government" power, according to the radio voice of national salvation from Seoul.

That the present "regime" is expanding the fascist crackdown on a full scale, crying over "involvement of a third party" exposes its sinister intention to check the massive action of the 10 million workers who are greeting the July-September period of large-scale workers' struggle, make democratic trade unions powerless and, furthermore, disorganise and destroy the "national council of trade union representatives", an umbrella organisation of democratic trade unions, he said.

He stressed that the working masses must fight a decisive struggle to the end, frustrate the fascist suppressive offensive of the present "regime" and have their just demands met.

The present "regime" must stop the physical crackdown upon the just strikes and sit-in of working masses at once, release imprisoned workers without delay and immediately give up search and arrest of hardcore members of trade unions, he said.

ROK Groups on Japan's Treatment of Koreans

*SK0907155394 Pyongyang KCNA in English 1506
GMT 9 Jul 94*

[Text] Pyongyang, July 9 (KCNA)—Members of 24 organisations of South Korea including the South Korean Council of Democratic Youth Organisations held a rally in front of the Japanese Embassy in Seoul on the afternoon of July 6, denouncing the human rights violations against Koreans in Japan, a radio report from Seoul said.

The ralliers urged the Japanese Government to make an official apology for violence of Japanese against Korean schoolgirls in Japan and strictly probe the truth.

They also demanded that the Japanese Government immediately stop discrimination against the Japan resident Koreans and that the South Korean authorities take measures for the improvement of the treatment of Koreans in Japan and protection of their human rights.

After the rally, they held a demonstration.

KIMILSONGISM Magazine Published in Japan

*SK1207152494 Pyongyang KCNA in English 1501
GMT 12 Jul 94*

[Text] Pyongyang, July 12 (KCNA)—The magazine "STUDY OF KIMILSONGISM" No. 69 was published by the Japan Society for the Study of Kimilsongism.

The magazine carries the work of the great leader President Kim Il-song "For the Ultimate Solution of the Rural Question Under the Banner of the Socialist Rural Theses" and the work of the dear leader Comrade Kim Chong-il "Let Us Bring Into Fuller Play the Advantages of Our People's Power".

The magazine introduces the brief biography of Comrade Kim Chong-il.

It carries documents of meetings under the titles "The Japan Liaison Council of Societies for the Study of Kim Chong-il's Works Formed" and "19th National Scientific Seminar on the Chuche Idea".

Appearing in the magazine are a congratulatory speech and speeches made at the banquet arranged in celebration of the 52nd birthday of Comrade Kim Chong-il and articles headlined "Literature and Art of Korea Under the Guidance of Secretary Kim Chong-il," "Turning Point of New Struggle," "Joining Hands With People of Broad Segments" and "Incarnation of Faith and Will".

Release of Film on Anti-Japanese Fighter Noted

*SK0907141794 Pyongyang KCNA in English 1050
GMT 9 Jul 94*

[Text] Pyongyang, July 9 (KCNA)—The Korean documentary film studio recently released the documentary film "Chiwon" (Aim High) on the occasion of the centennial birth anniversary of Kim Hyong-chik, an indomitable revolutionary fighter.

The film tells a story that Kim Hyong-chik, who most keenly felt the misfortunes and sufferings of the Korean people forced to colonial slavery at the point of the bayonets of the Japanese imperialists, traversed an untrodden road of history to retake the lost country, upholding the idea of "Aim High" like a torchlight.

It also deals with the energetic activities of Kim Hyong-chik who instilled into the hearts of youth and children the idea that they should defeat the Japanese imperialists and achieve national liberation without fail at the Sunhwa school in Mangyongdae and the Myongsin school and other schools and the tireless revolutionary activities of Kim Hyong-chik who formed the Korean national association on March 23, 1917, and expanded the organisation at home and abroad.

It impressively shows that he thought of the country and the people first before himself and his family throughout his life and overcame all difficulties with preparedness for the three contingencies—death from hunger, death from a beating and death from the cold.

The anti-Japanese national liberation movement has been switched over to the communist movement from the nationalist movement and armed activities against the Japanese imperialists were staged here and there thanks to his revolutionary passion and perfect guidance.

The film stresses that the desire of Kim Hyong-chik has come true in this land under the wise guidance of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il.

Yugoslavia-Korea Friendship Association Formed

*SK1407103694 Pyongyang KCNA in English 1005
GMT 14 Jul 94*

[Text] Pyongyang, July 14 (KCNA)—The inaugural meeting of the Yugoslavia-Korea Friendship Association was held in Belgrade recently.

The meeting was attended by Chairman of the National Committee of the League of Communists-Movement for Yugoslavia Dragomir Draskovic, Director of the Federal Court Bora Bukicevic and figures of various circles.

In his speech Djurisa Labovic, editor-in-chief of the JOURNAL YUGOSLAVIA, said the Yugoslavia-Korea Friendship Association will make strenuous efforts to develop friendly and cooperative relations between the two countries more favourably in all fields including politics, economy, culture, science and technology and the press and intensify the activities to widely introduce and propagandize all the achievements of the Korean people among the Yugoslav people.

Milorad Zecevic, general manager of the soft drink complex, was elected chairman of the association at the meeting.

A letter to the dear leader Comrade Kim Chong-il was adopted at the meeting.

KCNA Reviews 15 Jul Pyongyang Press

*SK1507051994 Pyongyang KCNA in English 0502
GMT 15 Jul 94*

[Press Review]

[Text] Pyongyang, July 15 (KCNA)—All the papers here today continue carrying home and foreign news on the death of the great leader President Kim Il-song.

Comrade Kim Chong-il, supreme commander of the Korean people's Army, received overseas compatriots who visited the bier of President Kim Il-song to mourn his death and overseas Koreans, the son and daughter of Zhang Weihua and the resident representative of the UNDP [United Nations Development Program] in Pyongyang visited the bier of President Kim Il-song to express condolences, says the press.

Papers carry a photo-illustrated report that officials of organs at all levels in Pyongyang and local areas, workers, cooperative farmers, intellectuals, youth and students and officers and men of the People's Army are flowing in streams to the bier of President Kim Il-song to mourn his death.

Under the cross-letter titles "Great Leader Comrade Kim Il-song Is Ever-victorious, Iron-willed Brilliant Commander" and "The Whole Life of Respected Comrade Kim Il-song Is the Most Glorious One of the Great Leader" NODONG SINMUN and MINJU CHOSON devote one whole page each to pictures showing the leadership feats of President Kim Il-song who led the fatherland liberation war to a victory.

Carried in the press are pictures showing the wreaths to the bier of President Kim Il-song of the Democratic People's Republic of Korea from foreign heads of state and news that wreaths came to the bier of President Kim Il-song from foreign party leaders and figures and the Central Committee of the South Korean National Democratic Front.

Rong Yiren, vice-president of the People's Republic of China, sent a wreath to the Korean Embassy in Beijing, says NODONG SINMUN.

Seen in the press are messages of condolence to Comrade Kim Chong-il and the Government of the Democratic People's Republic of Korea from foreign heads of state.

Foreign party and state leaders called at the Korean embassies in their countries to mourn the death of President Kim Il-song. Vietnam and Laos released communique, the Nicaraguan president issued a decree, Nepal adopted a resolution in this regard and the Palestinian president and the UN secretary-general expressed condolences, says the press.

Under titles "President Kim Il-song, Star of Mankind, Genius of Creation, Hero of Invincibility and Great Thinker", "Death of President Kim Il-song, Big Loss in Human History" and so on papers echo voices of foreign news media on the death of President Kim Il-song.

Carried in the press is a statement of a spokesman for the Committee for the Peaceful Reunification of the Fatherland to the effect that officials of all parties and groupings and people of various strata in South Korea plan to send mourning groups to Pyongyang.

NODONG SINMUN says that messages of condolence came from South Korean public figures and the chairman of the International Korean Association (Unity) and overseas regional headquarters of Pominnyon. The paper carries "Article to the People" issued by Hanminjon Central Committee calling upon the people to participate in the memorial services to bid their last farewell to President Kim Il-song and an elegy written by the senior chairman of the Canadian regional headquarters of the North America-Korea Friendship Association to the bier of President Kim Il-song.

A placard expressing condolences on the death of President Kim Il-song appeared in downtown Seoul, gazettes were put up at 22 universities and colleges in South Korea, Chongnyon solemnly held a memorial service in Tokyo and Koreans in America inaugurated the preparatory committee for mourning, says the press.

NODONG SINMUN prints a statement of the spokesman for the South Korean National Democratic Front denouncing the South Korean authorities' impudent act at a time when the whole world mourns the death of President Kim Il-song.

Under blockletter titles "Great Leader Will Always Be Alive in the Hearts of the People" and "Let Us Accomplish the Revolutionary Cause of Chuche Started by the Great Leader" papers edit the determination of the party members and other working people to firmly defend and exalt the revolutionary feats of the great leader.

Consumption Goods Production Movement 'Brisk'
SK0907130794 Pyongyang KCNA in English 1026
GMT 9 Jul 94

[Text] Pyongyang, July 9 (KCNA)—The August 3 Mass Consumption Goods Production Movement is brisk in Pyongyang.

On August 3, 1984, the dear leader Comrade Kim Chong-il went round the Pyongyang exhibition of light industrial products and set forth a highly important task to produce consumer goods through a mass movement.

In the last 10 years since the start of the movement, the output of mass consumption goods has risen 12.3 times in the city. The variety of consumer goods has grown 20 times and the retail turnover 14.6 times.

In this period, industrial establishments, cooperative farms and dongso and neighbourhood units have formed more than 6,000 units specializing in the production of August 3 mass consumption goods and the number of the producers has increased markedly. In this course, 13 districts including Pyongyang, Songyo, Taedonggang,

Mangyongdae and Sadong districts won the title of model districts in the production of August 3 mass consumption goods.

Meanwhile, North and South Phyongan, Kangwon, South Hamgyong and other provinces have considerably increased the production value of peculiar consumer goods of high quality by effectively tapping internal reserves and using locally rich raw materials.

South Korea

Articles Discuss, Assess DPRK's Kim Chong-il
SK1507122994 Seoul CHUNGANG ILBO in Korean
15 Jul 94 p 6

[Text] Who exactly is Kim Chong-il? No one can clearly answer this question. Since North Korean society is so secretive, little is known about his personal history and background. Even though there are abundant rumors about him, it is difficult to get at the truth because there are inconsistencies in testimonies by those who insist they have met Kim Chong-il. Regardless of insufficient data about him, CHUNGANG ILBO's special news coverage team, with Unification Affairs Research Center (director Kim Tong-su), analyzed his personal history by verifying various information on Kim Chong-il.

1. Kim Chong-il's Upbringing by Reporter Pak Ui-chun

The CHUNGANG ILBO special news coverage team revealed at the beginning of last year that Kim Chong-il was born in Khavarovsk, not the secret camp of Mt. Paektu, "the nation's spiritual mountain of the nation," as North Korea insists.

His name was listed as "Kim Yu-ra" in the graduation album of Namsan High School, which was published in July 1960.

With the death of his mother Kim Chong-suk when he was seven, he was brought up under the care of Hong Ki-ae, who worked as a maid and who was the daughter of Hong Myong-hui, the author of "Hong Kil-tong."

When Kim Chong-il was in high school, the authorities placed 12 elite students in his class and made them help Kim Chong-il with his schoolwork. Even though he was good at school, teachers had difficulties due to his superiority complex.

He majored in economics at the Political Science and Economics College of Kim Il-song University. When Kim Chong-il began special education to succeed to power, Kim Il-song appointed his personal advisers as Kim Chong-il's professors and ordered them to give special extracurricular education to Kim Chong-il. There is a rumor that he went to East Germany to study, however, North Korea has disclosed that he returned home after three months and entered Kim Il-song University.

When Kim Chong-il entered the university, he joined the Workers' Party of Korea and started his party life as a cell

of the party Central Committee and, from that time, he began "the field practice of politics."

2. His Health by Reporter Kim Chin-Kuk

The main factor about Kim Chong-il's health is his obesity. It is reported that he is from 160 to 165 cm tall, however, there is evidence that he is no more than 160 cm tall. Even though he is short, he weighs from 80 to 86 kg, demonstrating a typical plump frame. Experts on heart disease point out that his obesity can cause heart disease.

After the death of Kim Il-song, Kim Chong-il looked worn-out when he appeared on television, thus, arousing speculation that he might be ill. This is nothing but a wild guess, considering he probably had no sleep because he had to take care of so many things.

In North Korea, Kim Chong-il's health has been carefully managed as in the case of Kim Il-song's. The Basic Science Academy of the Department of Finance and Accounting under the party Central Committee is a secret organization managing his health. At the academy, 1,500 researchers study diseases in eight fields that could result from Kim Chong-il's favorite food.

Regardless of such thorough health management, he is fat due to stress from being the number-two man, excessive drinking, his fussy temperament, and unstable lifestyle. Recently, Hong Kong's SOUTH CHINA MORNING POST reported that he has epilepsy and depression. However it is questionable whether it is true.

3. His Temperament by Reporter Chong Son-ku

A Russian journalist who had been a Pyongyang-based correspondent assessed Kim Chong-il: "Kim Chong-il's superiority complex and self-admiration are extensive. He has a hot-temper and is reckless and self-righteous." Ko Yong-hwan, former North Korean diplomat who defected to the ROK, testified that "he often commits extraordinary acts."

In the United States, Kim Chong-il is known as "the figure who has a dynastic way of thinking, lacks management ability, and is more narrow-minded than his father" and as "being a psychopath and monomaniac."

There are a few optimistic views about him as well. A Russian scholar who had intimate relations with Kim Chong-il said: "Having received an elite education, he is very smart and artistic. He is sharp and bold, and has lots of energy to learn about everything."

A senior Japanese journalist who referred to Kim Chong-il as a man with merits and demerits said: "His nature is violent, however, he is broad-minded. He is a man of firm decision, however, is straight forward. When he makes a decision, he sticks to it to the end."

Sin Sang-ok and Choe Un-hui [famous film director and actress who was once kidnapped to North Korea] said: "Kim Chong-il is very smart, however, he does not have a warm heart."

4. Kim Chong-il's Family by Reporter Chong Po-hyon

Kim Chong-il's wife is not exactly known to the public and people are very curious to know who she is, above all.

Kim Yong-suk, 47, is known to be his present wife. She is also known as Kim Hye-suk, her real name according to a rumor. She comes from a revolutionary family and graduated from Kim Il-song University. It has been learned that she worked for the Propaganda and Agitation Department of the Workers' Party of Korea.

Kim Yong-suk is Kim Chong-il's second wife. They got married in 1973. Sol-song, 20, is their first daughter, and they have a son and another daughter. Kim Chong-il has a total of two sons and three daughters from all the women he has lived with. Chong-nam, 23, is his first son from Song Hye-rim, who lived with Kim Chong-il temporarily until he married his present wife after he left his first wife. Kim Chong-nam has had "classes for the crown prince" since he was 13. There are rumors that he now goes to Kim Il-song University and that he holds an important military position.

It is learned that Kim Chong-il has a daughter, Hye-kyong, from his first wife, Hong Il-chon.

Kim Chong-il is the eldest son and has three brothers and two sisters, including his half siblings. Kim Kyong-hui, minister of light industry, is his sister by the same mother, Kim Chong-suk. Kim Kyong-hui's husband is Chang Song-taek, director of the party's Youth Department, who is emerging to be a man of influence in the next regime of North Korea.

None of his half siblings by his stepmother Kim Song-ae holds an important post, except Kim Pyong-il, who was a People's Army officer and is now attracting people's attention.

5. Kim Chong-il's Hobbies by Reporter Yu Yong-ku

Kim Chong-il has particular hobbies than other North Korean people as he has had "classes for the crown prince."

He had private lessons to learn how to play the piano and the violin in his childhood, and his sense of music is better than that of a good musician.

While giving on-the-spot guidance to musical troupes to perform revolutionary operas, Kim Chong-il usually nominates singers for each song and corrects singers' wrong interpretations of songs.

When he feels good at a drinking party, he takes a baton from the director and conducts the chamber orchestra or plays the piano himself.

There is an unbelievable rumor that he can detect even a semitone-wrong sound of any musical instrument in an orchestra.

It is a well-known fact, most of all, proved by Choe Un-hui and Sin Sang-ok, that he is a film devotee.

He has collected more than 2,000 films from various countries. Since the 1970's, he has given on-the-spot guidance to film studios and musical troupes engaged in revolutionary operas whenever time is available, and he takes pride in doing so.

Kim Chong-il also likes to ride horses and to drive fast cars. He likes to drive at full speed out of Pyongyang in the early morning.

He had an accident by hitting an electric pole while speeding his car in the mid-1980's.

6. His Friends by Reporter Yi Sang-man

Kim Chong-il enjoys drinking parties. His drinking pals are party secretaries Kye Ung-tae, Kim Kuk-tae, and Kim Yong-sun; O Chin-u, minister of People's Armed Forces; Chang Song-taek, director of the party Youth Department; Kim Yong-nam, foreign minister; Kang Sok-chu, first vice foreign minister; Kil Chae-kyong, vice foreign minister; and Hyon Chun-kuk, former editor-in-chief of NODONG SINMUN.

Kim often invites his private assistants—such as his photographer, tailor, and barber—to drinking parties and they are all treated like influential vice directors of party organizations.

Ko Yong-hwan, a defected North Korean diplomat, said: "When both a son of Pak Nam-ki, chairman of the Pyongyang Administrative and Economic Committee, and Kim Chong-il's private tailor's son were detected playing cards at school, the former was ordered to perform unpaid labor for six months, and the latter went unpunished."

Pang Sung-un, vice director of the party's Administration Department; Choe Yong-nim, vice premier and vice director of metal industry; and Chon Mun-sop, chairman of the State Inspection Commission, succeeded in life because they found favor with Kim Chong-il when they were his private secretaries. Pang has been in charge of all important events for Kim's family for a long time, and Kim Chong-il called him "uncle" when he was a teenager. Choe Yong-nim, an expert on economic affairs, helped to pave the road for Kim Chong-il's succession to power by providing Kim with high-level information when he was economic secretary to Kim Il-song in the 1970's.

Leadership Over Military Viewed

SK1507150694

[Editorial Report] The following is a compilation of articles in Seoul vernacular newspapers published on 15 July on North Korea's Kim Chong-il's leadership over the military.

The conservative CHOSON ILBO carries on page 7 a 1,800-word article by Kyong Yong-won entitled "Revolution's Second Generation Taken Into Confidence—Army's Modernization Accelerated." The article begins: "The tactics which Kim Chong-il, who has no military career worth mentioning, uses to keep the North Korean military in his grip have been a carrot in one hand and a stick in the

other." The article notes the particulars of the carrot, such as massive promotions in the general-grade officer ranks of the North Korean People's Army in April 1992, giving special benefit to the revolution's first generation generals by assigning doctors and nurses especially to them, taking care of their daughters' and sons' marriages, and giving expensive presents to the officers and families of his security forces. The article continues: "Because Kim Chong-il treated the revolution's first generation generously and because they are old men over 70, which is an age at which they are more interested in maintaining their comfortable life and their families' security than risky political ambition, they may not dare carry out anti-Kim Chong-il activities." As for the stick, the article notes the so-called report system by which Kim Chong-il receives daily reports from the North Korean People's Army's, KPA, General Staff, Political Department, and the Political Security Department. The article notes: "Kim Chong-il can keep himself informed of what is happening in the military by receiving daily reports from these three channels. It has also been learned that he has the General Political Department of the Ministry of People's Armed Forces report to him daily on the activities of all the general-grade officers of the KPA. He has the party's Organization and Guidance Department maintain surveillance over the powerful General Political Department, thus maintaining surveillance over one another." The article notes that ROK authorities understand that Kim Chong-il has involved himself much in the KPA's modernization and development of chemical and biological weapons. The article concludes by citing an unidentified North Korean expert: "In light of Kim Chong-il's style of leading the North Korean military by holding them in his grip, he will, after he officially assumes power, continue employing an appeasement policy on the revolution's first generation and at the same time gradually assign the revolution's second generation important positions, while accelerating modernization of the North Korean Armed Forces."

The moderate HANGUK ILBO carries on page 5 a 1,400-word article by Son Tae-kyu entitled "Kim Chong-il's Military Policy." The article refers to the comment by Dr. Yi Chun-kun from the Sejong Institute: "Kim Chong-il's military policy will be little different from Kim Il-song's, but in order to demonstrate the legitimacy and leadership of his power, Kim Chong-il can perpetrate military adventure to overcome his weak point of lack of experience in the Armed Forces, though it is equally possible for him to implement an appeasement policy externally." The article then notes that Kim Chong-il will find himself in a dilemma between the need to increase military spending to secure military superiority and the need to drastically increase the people's standard of living. The article concludes: "To resolve this dilemma, Kim Chong-il will call upon the South more loudly to reduce arms and concentrate internally on developing strategic arms, a means to build up arms at less cost. Therefore, North Korea will not readily give up its nuclear program. After all, the military threat Kim Chong-il is likely to pose could be substantial, as many military experts observe."

The moderate KYONGHYANG SINMUN carries on page 3 a 1,000-word article by Ko Tae-u, director of the research department of the North Korean Institute, entitled "Kim Chong-il's Relations With the Military." The article notes: "The North Korean Army is under the control of the so-called revolution's first generation led by O Chin-u, minister of People's Armed Forces." The article continues: "Among the members of the party's Central Military Commission are Cho Myong-nok, Air Force commander; Kim Il-chol, Navy commander; Yi Pong-won, deputy director of the General Political Department; and O Yong-pang (specific position unknown), all of whom are graduates of Mangyongdae Revolutionary Institute which Kim Chong-il attended. Of these, Yi Pong-won's position is noteworthy as he politically controls the entire Armed Forces." The article concludes: "Although it appears outwardly that Kim Chong-il has brought the military, as well as other areas, under his control, his qualifications as a military leader have not been verified. Nor does he have such a historical aureole of the anti-Japanese revolutionary tradition, like Kim Il-song. He has built a firm fence around him, but it is not firm on the inside. This results from the gap between propaganda and reality, an attribute of North Korean society."

Movie Director on Kim's Personality

OW1407160094 Tokyo NHK General Television Network in Japanese 1006 GMT 14 Jul 94

[Interview with Shin Sang-ok, South Korean movie director by unidentified NHK reporter on 14 July; in Japanese; from the "NHK News 7" program; place not given—recorded]

[Text] As we have been reporting, many things are unknown about Kim Chong-il, who is to succeed his late father. Today, NHK interviewed a South Korean movie director who knows Kim Chong-il's personality.

[Video shows still photos of Kim Chong-il directing a movie and standing between movie cameras] Movie Director Shin Sang-ok and his wife were abducted by a North Korean agent in 1978. After he was taken to North Korea, he directed and produced movies for Kim Chong-il for eight years. Kim Chong-il set up a movie projection room in many places, including his home and office. He had a collection of over 10,000 movies from all over the world. He is very interested in movies.

[Begin Shin recording] North Korea uses movies to promote its politics not 100 percent but 150 percent. North Korean people are made to see the movies over and over again until they memorize all the lines. They are brain-washed. Movies themselves are important in the North. Every single movie in North Korea praises the great leader. [end recording]

Kim Chong-il has never spoken with the foreign media. Very little is known about him in other countries. But, Mr. Shin recorded a telephone conversation between his wife (Choe Un-hui) and Kim Chong-il. [Begin recording of telephone conversation in Korean with Japanese translation provided in subtitles]

[Kim Chong-il] Hello.

[Choe] Hello. This is Un-hui.

[Kim] Good afternoon. I have not seen you for a long time.

[Choe] That is right. [laughter]

[Kim] Why have you not written to me?

[Choe] That is what I should say to you. [laughter] [end recording]

[Video shows Kim Chong-il shaking hands with foreign officials in military uniforms] Kim Chong-il had parties with his close associates that often lasted until dawn. He makes jokes to create a good atmosphere. But, Mr. Shin talks of an episode that shows that Kim Chong-il was always cool headed.

[Begin Shin recording] Kim Chong-il came into the room where there was a men's band standing next to a women's band. He was greeted by shouts of dear leader and cheers just as a leader would be in any other communist society. Girls were jumping and shouting. He was a little drunk and said the girls were saying they liked him. While poking me, he said that they were lying. He smilingly told me that the girls seemed to be jumping with joy but they were pretending. [end recording]

Kim Chong-il's leadership in foreign affairs and domestic politics are unknown. But, he is already facing difficult and important tasks, including the issue of promoting a dialogue with the United States and a summit with South Korea.

[Begin Shin recording] Anyhow, Kim Chong-il watches in his office all South Korean and Japanese television programs everyday. When I went to his office, he had four monitors and one was showing South Korean ... [changes thought] no, there were six monitors. The monitors were showing NHK and various South Korean programs. He was watching Chinese programs too. Anyhow, he is not as incompetent as he has been described. Correct or not, Kim Chong-il makes quick judgments. This is a good point as well as a bad one. He makes precise decisions on the spot. He does not hesitate. [end recording]

Background of DPRK Central Committee Members

SK1507101494 Seoul TONG-A ILBO in Korean 15 Jul 94 p 4

[Article by Pak Chae-kyun: "Analysis of North Korean Party Central Committee Members"; all numbers as published]

[Text] The power and authority of party Central Committee members in North Korea, where the "party is the state," are indeed significant. According to a recent announcement of the Agency for National Security Planning, there are 145 full party Central Committee members, and all 145 members are ranked within the North Korean hierarchy.

It is no exaggeration to say that a plenary meeting of the party Central Committee attended by these members decides everything regarding North Korean policies. The meeting elects the party's general secretary—the summit of the nation's power—and tentatively nominates the president of the nation. The meeting even decides in advance the agenda items to be resolved by the Supreme People's Assembly (SPA), North Korea's parliament.

There has been nearly no change in their ranks. Once one is elected as a party Central Committee member, one can maintain nearly life-long power. Thus, some say that a vacancy comes available only after a member dies. This being the case, an analysis of the personal background and careers of the members of the party Central Committee—the core of power—is a shortcut to understanding the essence of North Korean power.

We, the South Korean people, have often been criticized for concentrating political power on those from a certain specific district. North Koreans are not different. It has been clearly revealed that power is concentrated on those from North and South Hamgyong Provinces.

It was confirmed that 46 of the 95 full members (48.4 percent), whose regions in which they were raised were identified, of the Workers' Party Central Committee are from the Hamgyong provinces. As of 1990, the proportion of the population of the Hamgyong provinces to that of the entire nation is 22.6 percent. In view of this, one can recognize the degree of power concentrated in the Hamgyong provinces.

There are 23 members from the Pyongan provinces (24.2 percent); 10 from Manchuria (10.5 percent); five from Pyongyang (5.3 percent); and three from Kangwon Province (3.2 percent). The overwhelming majority of those from Manchuria are related to the many Koreans who lived in this area before the nation's liberation and are associated with anti-Japanese guerrilla activities reportedly carried out by Kim Il-song in this area.

The age group of these 95 full members shows that 62 are in their sixties (65.3 percent, the largest proportion). However, in the 1970's, 44.2 percent were in their forties, and in the 1980's, 57.3 percent were in their fifties. As the older age group makes up the largest number, we can note that a generational shift has not been realized among the full members of the party Central Committee.

It has been confirmed that 57 of the 145 members of the party Central Committee have studied abroad. This shows that one out of three has studied abroad. In view of the fact that the opportunity to study abroad is very rare in North Korea and that the state pays all expenses, those Central Committee members who studied abroad were identified in their youth as a privileged class and given the chance to study abroad.

The nations in which they studied are the former Soviet Union, where 40 studied; Japan, eight; Eastern Europe, five; and China, three. The fact that an overwhelming number studied in the former Soviet Union illustrates that

North Korea at the time leaned more on the Soviet Union, its "socialist fatherland," than on China.

It was confirmed that 23 party Central Committee members graduated from the Mangyongdae Revolutionary School. This school is an educational institute for special-class children, which was established in Pyongyang for the education of "bereaved children of revolutionaries."

The number of party Central Committee members from the Mangyongdae Revolutionary School drastically increased to 21 in the 1980's from seven in the 1970's. As this school is Kim Chong-il's alma mater, such an increase has something to do with his succession to power.

It was confirmed that 101 out of the 141 full members whose personal history is identified work in the Workers' Party and the Administration Council—the overwhelming majority; 31 are in the military; and nine are in the SPA. As high-ranking North Korean officials have important positions, both in the party and the government, there is no need to distinguish those working in the party from those in the Administration Council.

In view of the social career of the full party Central Committee members, one's "family background" exerts the greatest influence on one's becoming a core elite in North Korean society. In other words, it is highly likely that most of the "bereaved children of revolutionaries" from the Hamgyong provinces will go to the Mangyongdae Revolutionary School and after graduation they will study abroad. They will then enter the core position of power called the party Central Committee.

North Predicted To Pursue Reforms

*SK1507123894 Seoul YONHAP in English 1221 GMT
15 Jul 94*

[Text] Seoul, July 15 (YONHAP)—North Korea's new Kim Chong-il system is likely to pursue a series of reforms and an open-door policy to resolve their acute economic difficulties while carrying on major existing policies, Deputy Prime Minister Yi Hong-ku said Friday.

Speaking at a dialogue meeting sponsored by the Christian Academy at Hotel Olympia, Yi said the key task facing North Korea in the days to come would be how to effectively balance these dual aspects.

The deputy premier said his government is refining its stand toward North Korea on the assumption that Kim Il-song's basic policy ideas about a South-North summit and talks between the United States and North Korea would be carried forward to the Kim Chong-il system as they are.

At the July 8 Geneva talks between Pyongyang and Washington, Yi said, North Korea told U.S. negotiators that depending on some conditions, they would have to reprocess some spent fuel rods, asserting this would not run counter to the regulations of the International Atomic Energy Agency (IAEA).

"This may go compatible with IAEA regulations as North Korea claims, but not with the South-North denuclearization declaration," Yi said.

With Kim Il-song's death, a fresh juncture has emerged in the national history and inter-Korean relations, he said, adding that the government accordingly would work out a long-term policy basis for future South-North relations.

Government Takes Stance on Condolence Issue

SK1507101994 Seoul YONHAP in English 0823 GMT 15 Jul 94

[Text] Seoul, July 15 (YONHAP)—The government will take strict legal action against dissident organizations attempting to mourn Kim Il-song's death and student activists who raided police boxes in Seoul Thursday in order to preserve national law and order.

As moves by Hanchongyon, the National Organization of Activist Student Associations, and other dissident groups to send condolence missions to Pyongyang—apparently prompted by North Korean media broadcasts welcoming such missions from South Korea—have had widespread repercussions, the government has decided to tackle the issue by strictly applying the law governing such actions, officials said Friday.

The government will shortly call a meeting of related ministries and agencies, including the Prime Minister's Office, the National Unification Board and the Home and Justice Ministries, to discuss measures against such pro-North Korean moves.

Among the pro-Pyongyang actions are sending a condolence mission or cable in relation to Kim Il-song's death, and mourning rooms and other mourning programs.

The Justice Ministry and the public prosecution are carefully studying whether the controversial call to send a condolence mission to Kim Il-song's funeral can be legally justified: In case the move is found to be illegal, it will be tackled sternly according to the law, a highly placed government official said.

The police will seize rooms prepared to mourn Kim's death and stop other mourning programs, while dealing strictly with those involved. People playing leading roles in these programs will face physical detention for investigation, he added.

The unyielding position on the issue of condolence missions to Pyongyang is in line with the judgment that North Korea is again employing its typical unification front tactics aimed at sowing social confusion in the South, such as a statement by the Committee for Peaceful Unification of the Fatherland welcoming southern sympathy missions.

A Chongwadae [presidential offices] official, saying there is no change in the government's position that the principle of the suspended inter-Korean summit for improving South-North relations is still effective despite Kim Il-song's death, remarked that the Justice Ministry and the

prosecution will look into the condolence mission issue to decide whether such missions are legal.

North Resumes 'Slandering' Kim Yong-sam 15 Jul

SK1507103094 Seoul YONHAP in English 0658 GMT 15 Jul 94

[Text] Seoul, July 15 (YONHAP)—North Korea began slandering South Korean President Kim Yong-sam on Friday for the first time since the death of Kim Il-song, according to the National Unification Board [NUB].

Radio Pyongyang quoted a spokesman for "the Korea National Democratic Front" as saying, "despite the fact that even the U.S. President and Japanese prime minister expressed their regrets over the death of President Kim Il-song, only Kim Yong-sam, who is a counterpart for the inter-Korean summit as well as a member of the same race, is acting recklessly."

The radio added, "not even 30 minutes had passed since the sad news was announced before he stirred up trouble by instructing the military and the police to go on special alert as well as held one meeting after another, including the so-called National Security Council, an emergency cabinet meeting and a police emergency meeting."

Pyongyang insists that the Korea National Democratic Front is an anti-government body headquartered in Seoul, but in fact it is a ghost organization invented by the North, according to the NUB.

Information Minister Discusses N-S Exchange

SK1207061894 Seoul YONHAP in English 0537 GMT 12 Jul 94

[Text] Seoul, July 12 (YONHAP)—The South Korean Government is ready to exchange broadcasting with North Korea any time the North agrees, Information Minister O In-hwan said Tuesday.

In a written answer submitted to the National Assembly Culture, Sports and Information Committee, O said, "at the moment, there are no visible results on the exchange of broadcasting because of the North's passive attitude, but the government is positively preparing for measures for a South-North broadcasting exchange in consideration of developments in inter-Korean talks."

Minister O, responding to a question on Cable News Network [CNN]'s demand for a 24-hour channel, said it's impossible to accept a solely foreign channel because that is not allowed by law.

"CNN can only provide its programming to such news program providers as YONHAP Television News (YTN) within the limits of the foreign programming quota," the minister said.

DPRK Relocates People to, From Najin-Sonbong

SK1407051994 Seoul CHOSON ILBO in Korean 14 Jul 94 p 1

[By reporter Yu Yong-won]

[Text] It was learned on 13 July that North Korea had begun to move residents with undesirable backgrounds from the Najin-Sonbong region to other regions and to fill the region with people who have desirable backgrounds.

An ROK Government source said: "North Korea began to survey class origins of residents of the Najin-Sonbong region toward the end of last year. Furthermore, at the end of last month, when agreements on holding North-South summit talks and resuming the third round of U.S.-North Korea talks were reached, it began to relocate those with undesirable backgrounds to other regions and to fill this region with those with desirable backgrounds.

DPRK To Continue Trade Relations With South

SK1507020194 Seoul YONHAP in English 0124 GMT 15 Jul 94

[Text] Seoul, July 15 (YONHAP)—North Korea, asserting that Kim Il-song's death will not affect inter-Korean trade, has notified South Korean trading houses that it will continue business relations with them.

Business sources here said Friday that North Korea had given such notification, both directly and indirectly, to branch offices of Samsung, Daewoo and Lucky-Goldstar international in Beijing, Hong Kong and Singapore.

A North Korean trade official recently told a South Korean company's Beijing office that he would strive to honor the delivery date set under a contract with the South Korean firm on the processing of materials shipped from the firm for re-export to the South, a source said.

North Korean factories are operating normally despite Kim's death but because preparations for the state funeral are causing some transportation setbacks, delivery may be delayed by one or two days, he quoted the North Korean official as saying.

But ranking North Korean Government officials have postponed a meeting with South Korean businessmen on matters related to investment and the processing of South Korea-originated materials, the source said.

Meanwhile, a South Korean ship carrying materials to be processed into finished products in North Korea entered the harbor of Nampo, west of Pyongyang, Friday, while another South Korean vessel anchored in Hungnam port on the east coast Saturday.

The ship lying at anchor in Nampo will return to Incheon around Wednesday next week, carrying men's and women's clothing that North Korean firms made with materials brought from Samsung, Daewoo and other South Korean firms under contract. The vessel in Hungnam will also return about the same time, carrying 2,000 tons of zinc ingots and finished textile products, another source said.

U.S. Intelligence Difficulties on DPRK Noted

SK1507084294 Seoul CHOSON ILBO in Korean 15 Jul 94 p 5

[By correspondent Chong Hae-yong from Washington]

[TEXT] Following Kim Il-song's death on 8 July, U.S. media have been carrying among their top stories daily analyses of the cause of his death, the power succession, and future nuclear negotiations. However, most news reports are not written by domestic reporters but are dispatched by correspondents based in Seoul and Tokyo. The number of articles from Seoul is gradually outnumbering those from Tokyo.

In previous major incidents related to the end of the Cold War—the coup in the former Soviet Union, the collapse of the Soviet Union and East Europe, and the reunification of Germany—the sources of U.S. media reports were high-ranking U.S. officials as well as related academicians and specialists. U.S. news reports on North Korea following the death of Kim Il-song were mostly based on analyses by ROK Government officials and specialists or ROK media reports. U.S. officials received the news of Kim Il-song's death from the U.S. Embassy in Seoul, which listens to Pyongyang radio. Top U.S. officials—including President Clinton, Vice President Gore, Secretary of State Christopher, and Assistant Secretaries of State Winston Lord and Robert Gallucci—all admitted they have experienced difficulty analyzing Kim Chong-il's future and the exact cause of Kim Il-song's death due to the lack of information on internal moves within North Korea.

The Clinton administration agencies closely tracing developments on an around-the-clock basis for various parts of the world: Presidential Foreign Intelligence Advisory Board, PFIAB; CIA; (?National Reconnaissance Organization, NRO); (?Tactical Information Activity Agency, TIARA); and the Defense Intelligence Agency, DIA. However, even though we take into account the closed society of North Korea, intelligence on North Korea's domestic situation remains in the dark.

This has caused all kinds of rumors surrounding the true character of Kim Chong-il, and has resulted in contradictory positive and negative appraisals. The U.S. Administration has not yet come to a congruent conclusion about the future of the Kim Chong-il regime.

The United States is using all available diplomatic sources and intelligence networks to get a grip on the recent moves in North Korea, but cannot draw a clear picture. In particular, the United States is having frequent contacts with the ROK Embassy in the United States trying to obtain pieces of information.

A relevant official with the ROK Embassy in the United States said Washington seems to have little precise information on the internal affairs of North Korea. What it has is not much more than common knowledge. The official said that as far as movements in North Korea are concerned, the ROK provides more to the United States.

The United States has three major sources for understanding North Korean moves: personal information obtained from spies; video information obtained from state-of-the-art espionage equipment and satellites; and signal information obtained through wire-tapping.

According to an intelligence specialist in Washington, in the case of personal information, the United States has infiltrated Western spies into society, but could not penetrate the core of Kim Il-song's power, and thus is unable to collect important information for situation analysis. Diplomats, employees of international organizations, journalists, and travelers who have been to North Korea generally talk about the people's standards of living, and seldom about the inside stories of the power structure of Kim Il-song and his son.

In the case of video information, even though the equipment is able to transmit clear pictures of military moves or the nuclear facilities in Yongbyon, they are unable to look inside such facilities where the need for information is more critical. They can obtain hardware information on buildings, but not software information about what is inside those buildings. As regards signal information through wire-tapping, it is difficult to collect valuable information because diplomats posted in North Korea are very cautious in conversations over international telephones, fearing surveillance by North Korean authorities.

Due to the limited information on North Korean affairs, the United States method is to draw a scenario on the North Korean situation first, then verify it with collected information. For instance, it draws an outline of the moves of North Korean military groups, officials, and family, then modifies and complements the scenario with related information. Unreliable information is eliminated in the process.

An intelligence specialist said he has developed his own sense of North Korean affairs by following the trends over a long period of time because North Korea is such a stagnant and closed society. He said that sometimes information made available by an occasional major accident or incident can be much more clear, precise, and significant than existing Western data. However, in the phenomenal case of Kim Il-song's sudden death, he had to make strenuous efforts because it requires a totally new analysis and outlook.

Presently, video recordings of television broadcasts from North Korea are the most important source of primary information.

DPRK To Resume Receiving Japanese Tourists

SK1507011594 Seoul YONHAP in English 0047 GMT 15 Jul 94

[Text] Tokyo, July 15 (YONHAP)—North Korea will again permit Japanese tourists to visit as planned before the death of Kim Il-song, it was learned Thursday.

The agent in Japan of North Korea's state-run Kukje Tourist Corp., Chugai Travel Co., Wednesday informed Japanese travel agencies promoting tours to North Korea that entry visas would be issued to applicants as previously planned, according to travel officials.

An official said that the notification Wednesday of the North Korean decision to again permit Japanese tourist

visits was surprising, as no action was expected on the matter until after the funeral of Kim Il-song this coming Sunday.

Pyongyang allowed Japanese tourists' entry in 1987, and about 2,000 Japanese visited North Korea in 1992.

Such visits were suspended unilaterally by North Korea in June last year in the wake of the international uproar over its suspected nuclear weapons program. In May, North Korea disclosed plans to resume such visits.

More on Planned Summit With Japan in Seoul

SK1507032294 Seoul YONHAP in English 0304 GMT 15 Jul 94

[Text] Seoul, July 15 (YONHAP)—President Kim Yong-sam will hold summit talks with Japanese Prime Minister Tomiichi Murayama on July 23 in Seoul.

Chongwadae [presidential offices] Spokesman Chu Ton-sik announced Friday, "Japanese Prime Minister Murayama will visit Korea on July 23-24 at the invitation of President Kim, and hold summit talks with the president during the visit."

On his upcoming trip to Korea, Murayama will be accompanied by Deputy Premier and Foreign Minister Yohei Kono, who heads the Liberal Democratic Party, according to the spokesman.

At the summit meetings Kim and Murayama will exchange views on current world affairs and developments in the Korean peninsula and Northeast Asia, and hold a wide-ranging discussion on ways of furthering bilateral relations, Chu said.

Murayama's visit, the spokesman said, is expected to "reaffirm the close Korea-Japan relations of neighborliness and friendship amid the rapidly changing Northeast Asian situation."

The summit talks are the first of their kind since the new Japanese Government headed by a socialist premier was launched, and will be held while the Kim Chong-il leadership is taking shape in North Korea following the sudden death last Friday of President Kim Il-song.

At the Seoul summit, the two leaders are expected to ponder a resolution of the North Korean nuclear issue after Kim Il-song's death and to discuss means of consolidating bilateral cooperation to promote peace and stability on the Korean peninsula.

Prime Minister Murayama, while calling for Seoul's cooperation, is likely to confirm that Japan's Korea policy will remain unchanged in spite of the emergence of a socialist premier.

Murayama's visit to Korea will mark the third in a series of working meetings between the two countries in recent years. In November 1992, then-president No Tae-u visited Kyoto, and in November last year then-Prime Minister Morihiro Hosokawa came to Kyongju.

Minister Talks With ASEAN Counterparts

*SK1207105894 Seoul YONHAP in English 0836 GMT
12 Jul 94*

[Text] Seoul, July 12 (YONHAP)—South Korean Foreign Minister Han Sung-chu has talked over the phone with his Association of Southeast Asian Nations (ASEAN) counterparts to affirm their cooperation in dealing with inter-Korean developments following North Korean leader Kim Il-song's death, a ministry spokesman said Tuesday.

Han held a series of conversations with the foreign ministers of Singapore, the Philippines, Thailand, Indonesia and Brunei as well as New Zealand, spokesman Chang Ki-ho said.

He and his counterparts also discussed the upcoming post-ministerial conference (PMC) of ASEAN opening in Bangkok later this month, he said.

Han will make similar phone calls to the foreign ministers of Malaysia and Vietnam soon.

Foreign Secretary, PRC Envoy Discuss DPRK

*SK1207061694 Seoul YONHAP in English 0541 GMT
12 Jul 94*

[Text] Seoul, July 12 (YONHAP)—Senior Presidential Secretary for Foreign and Security Affairs Chong Chong-uk met with Chinese Ambassador Zhang Tingyan at Chongwadae [presidential offices] Tuesday morning to discuss North Korea after Kim Il-song's death.

In the meeting, Chong stressed the government's unswerving policy to preserve peace and security on the Korean peninsula and asked for China's cooperation, sources said.

He also exchanged views with Ambassador Zhang on North Korea's transition of power from the late Kim to his son, Chong-il, prospects for settlement of the nuclear issue, Chinese relations with North Korea after Kim Il-song's death and Seoul's North Korea policy.

Afterward, Chong said his meeting with the Chinese ambassador was simply one of his usual activities and refused to elaborate on topics of discussion.

A Chongwadae official said, "this is the time when we most need China's cooperation because it is the biggest supporter of North Korea." He added that Beijing feels the transition of power to Kim Chong-il is proceeding at a rapid pace.

Australian Trade Minister McMullan Arrives

*SK1007062994 Seoul YONHAP in English 0548 GMT
10 Jul 94*

[Text] Seoul, June 10 (YONHAP)—Australian Trade Minister Bob McMullan arrived here Sunday [10 July] for his first visit to South Korea.

He will meet Foreign Minister Han Sung-chu and Trade, Industry and Energy Minister Kim Chol-su to discuss

increasing the bilateral relationship, including trade relations, between the two countries.

McMullan, who was appointed trade minister in January this year, will make a speech on "The New Global Trading Environment: Opportunities for Korea and Australia" at a luncheon hosted by Vice Chairman Cho Kyu-ha of the Federation of Korean Industries.

He will also meet with Chairman Kim Man-che of Pohang Iron and Steel Co. and president Yu Hyon-sik of Cheil Industries.

He will leave the country Tuesday evening.

11 Jul Stock Market Prices Fall 'Sharply'

*SK1107041994 Seoul YONHAP in English 0355 GMT
11 Jul 94*

[Text] Seoul, July 11 (YONHAP)—On Monday, the stock market here opened for the first time after North Korea's announcement of Kim Il-song's death, with starting prices falling sharply.

Kim's death was a shock to investors, as they expected it would jeopardize the inter-Korean summit that had supported the market last week.

At 9:50 AM [0050 GMT], 10 minutes after the opening bell rang, the Korea composite stock price index nosedived 20.15 points from Saturday to 936.23, with offers to sell five times more than bids to buy.

But investor sentiment began to revive gradually, and the composite price index bounced quickly back to 949.60, off only 6.78 from the previous session, at 10:20. The number of issues that fell to the day's lower limits decreased from 198 at 9:50 to 70.

Mining, wood and chemical issues turned around from the retreat at the opening time and are expected to keep on their upswing until the session closes.

News reports that Kim most likely died a natural death and that North Korea's new leadership would decrease the possibility of another Korean war would constitute a favorable factor of the market, analysts said.

Strike Suspended Due to Kim Il-Song's Death

*SK1007072194 Seoul YONHAP in English 0712 GMT
10 Jul 94*

[Text] Ulsan, July 10 (YONHAP)—The labor union of Hyundai Heavy Industries Co. has decided to suspend its on-going labor strikes for one week starting from Sunday [10 July] in consideration for the delicate situations at home and abroad following the death of North Korean President Kim Il-song.

The decision was made at a four-hour-long meeting of the union's Central Dispute Measures Committee convened at 10 A.M. [0100 GMT] Sunday.

The labor union of Hyundai had been staging the strike for 16 days since June 24 as a result of failure in the labor-management negotiations on wage and collective agreement.

The union's decision is apparently based on the judgment that continuance of the walkout is undesirable in view that tension has grown and all armed forces have been put on the alert in the wake of Kim's death.

Honorary Hyundai Chairman Gets Suspended Sentence

SK1107125694 Seoul YONHAP in English 1131 GMT 11 Jul 94

[Text] Seoul, July 11 (YONHAP)—Chong Chu-yong, founder and honorary chairman of the giant Hyundai business conglomerate, drew a suspended sentence from the Seoul Appellate Court on Monday for violating election laws during the presidential election late 1992.

The court handed down the term of three years in prison with a stay of execution for four years.

The presiding judge said Chong deserved harsh punishment because he diverted a large amount of money out of Hyundai firms which, he said, are "not your private companies as they had grown with people's savings and the government's tremendous credit support."

"You had also dragged wage-earning Hyundai employees into electioneering to undermine social values and order, thus committing election irregularities," the judge said.

The court said that however it was giving a lenient term to the accused in consideration of his contribution to economic and social development and his old age.

Information Minister Urges Media To Reform

SK0607091094 Seoul YONHAP in English 0832 GMT 6 Jul 94

[Text] Seoul, July 6 (YONHAP)—Information Minister O In-hwan said Wednesday the South Korean press must carry out reform and self-purification to grow and compete with advanced foreign media.

O, speaking at a dinner meeting of the 19th World Journalism Convention participants, said reform and self-cleansing are needed for the media to grow more influential and improve their quality in the era of globalization.

"Korean newspapers and broadcasters have developed to the level of advanced countries in quantity, but in terms of quality, I cannot say what level they are at right now," he said.

He noted that since the civilian government took office, the Korean press has been building up a basis for great development in the fields of management as well as editing and production.

Although the press's self-purifying efforts are not satisfactory at present, there is an evident trend in that direction. "Therefore, the future of Korea's press is very bright," O asserted.

"Since the advent of the civilian government, Korean democracy has blossomed and Korea's press is enjoying freedom that cannot be found in many other countries in the world," he said.

"Now, the Korean press is required to fulfill its responsibility and role corresponding to the long-pursued freedom, while facing the problem of stronger competitiveness in preparation for the era of internationalization," he said.

*** Chairman Explains 21st Century Committee Report**

942C0127B Seoul CHUGAN CHOSON in Korean 26 May 94 pp 34-35

[By reporter Kim Chang-su]

[Text] The presidential advisory 21st Century Committee (chaired by Yi Sang-U, professor of Political Science and Diplomacy, Sogang University) submitted the Long-Term National Objectives Design Report, an enormous work amounting to over 1400 pages. Composed of a total of five volumes, this report presented a future for 21st-century Korea, divided into five sections: *Korea in the World*, *Science and Technology Opening Up a New Life*, *A Communal Market Economy and Healthy Living Space*, *The Mature Culture of a Pluralistic Society*, and *Politics for a National Democratic Community*. Of the things mentioned in this report, ideas on revising the constitution caused heated repercussions in the political world immediately after it was published. The development strategy revealed in each volume, organized by sector, also got the attention of the media and academic circles. We visited Chairman Yi in the committee's office located in Waryong-tong, Chongno-ku.

[Interviewer] It is my understanding that this report took a considerable period of time, five years, to finally see the light of day. Please tell us what process this report went through until it was finally presented.

[Yi] Since the committee was first inaugurated by presidential decree in 1989, 50 committee members have gone through a total of 88 of their own seminars and debates. They have carried out the work of assessing the state of Korea in the 21st century by holding workshops with experts and, when needed, ordering external service, putting in over 250 man days. All were part-time committee members, but went through the meeting, discussion, and writing process with a sense of responsibility from being in a position no less important than that of the Chiphyonjon scholars of the Choson Period. Working all night from time to time, they have carefully deliberated on a development strategy which will open an era of national pride. One interesting thing is that from the time soon after it was inaugurated, representatives from the embassies of Japan, Germany, and the United Kingdom have shown deep

interest, inquiring into the progress of the research or coming to visit the committee.

[Interviewer] With 2020 as a target year, this report encompasses all areas, such as politics, economics, society, culture, and unification issues; there was nothing it did not touch on. In short, is the future of our country going to be all right?

[Yi] To begin with our conclusion: we are "cautiously optimistic." We believe that if the public continues to have confidence in the emergence of a good society and trust in the government, that is if only a public consensus continues, Korea will gain an opportunity to again leap ahead in an era of change. I think that during the half century since liberation, our people have built a foundation firm enough to take our nation into the future.

"Need for Discussion on Constitutional Reform When the Proper Time Comes"

[Interviewer] It is commonly said that we lack a national strategy, that we have no vision for the future of the country. Comparing now with circumstances during the late Yi Dynasty, some even say it is time for a new Choson strategy.

[Yi] The 21st Century Committee has studied and debated four main tasks: achieving unification and establishing a national image, sustained economic development, scientific and technological development, and promoting the construction of a clean society and national culture. Through this process, we set up as the national development objective the construction of a "harmonious, united, Korean democratic community." We viewed harmony, between growth and distribution, between development and expansion, between the individual and society, and between the national and the world, as the central value of all our strategy design.

[Interviewer] As soon as the report came out, newspapers and broadcasters highlighted the ideas on revising the constitution appearing in the volume, *Politics for a National Democratic Community*. Some were critical, calling it everything from a signal flare of constitutional revision to an observation balloon for testing public opinion. There are aspects in the history of our constitutional government and of our politics which react in an excessively sensitive way when questions come out about the reorganization of the power structure. However, what is the background behind the committee's coming to deal with the issue of constitutional reform? I heard that you suffered many insults after the media reports went out.

[Yi] Constitutional reform is in fact a sensitive issue. Because of this, I can understand the media's interest in the problem. But they took a section mentioning construction of a citizen-led state, which discusses the question of what power structure would be most desirable for this centered around a "five-year single presidential term system," a presidential system, and a parliamentary cabinet system. Their expansive interpretation of this in a strange direction was unreasonable. It was written in the

introduction. We did not receive any instructions or interference from the administration in the course of preparing this report; and I want to make it clear once again that we did not have the interests of any specific group in mind.

[Interviewer] For the establishment of democracy and for political development, there is no real need to prohibit discussion of constitutional reform, is there? If there are problems with parts of the present power structure, I think there is also a need to make them a matter of public debate. Looking at the contents of the report, I do get the feeling it contains currents preferential to a single-term amendment and a parliamentary cabinet system...

[Yi] I feel that the message contained in the whole is not getting across, but is obscure. I think we have to wait for the appropriate time to discuss questions of how long we shall go with the five-year single term system, a product of political compromise at the time of the 1987 constitutional revision, and whether a parliamentary cabinet system, which is closer to a pluralistic society and to citizen-led politics, would be better. But we cannot overlook the strengths of a presidential system when we consider the very tough international environment through which we must move, the need for strong leadership in preparation for unification, and the immaturity of political-party politics. We debated this issue to an extent much greater than is contained in the report. One thing which is frustrating is the fact that the effort and anguish contained in 1400 pages is being buried by the discussion of constitutional revision mentioned on only two pages.

[Interviewer] Drawing interest is the presentation of one national-land management policy, the so-called K-Shaped Development Strategy: with Kaesong as the new capital after unification; a middle-western axis linking Sinuiju, Pyongyang, Kaesong, Seoul, Taejon, and Kwangju; a northeastern axis linking Seoul, Wonsan, and Chongjin; and a Southeastern axis linking Seoul and Pusan. How did you come up with this idea?

Kaesong Base Point of Continental, Maritime Axes of Advance

[Yi] Divided into North and South, Korea cannot overcome its geographically abnormal state. Even though a peninsular state, from South Korea's viewpoint, it is cut off like an island from the continent. North Koreans too can say their maritime advance is blocked. A united Korean means that this abnormal state is resolved. Thus, I will say that this means we must reformulate national-land management policy in a direction that would make moving into the continent and oceans easy. Therefore, we came to a K shape, with a middle-western axis stretching out toward the Chinese mainland and Taiwan in the southeast, a northeastern axis advancing toward Vladivostok, etc., in Siberia, and a southeastern axis going toward Japan. At a central point between Seoul and Pyongyang, Kaesong corresponds to the base point of the axes; and it is the place where the Han, Yesong, and Imjin Rivers meet. For these and other reasons, we think it could be the most suitable place for the new capital of a united Korea.

[Interviewer] In assessing our future, environmental problems cannot be left out. The report also dealt with this in a concentrated manner. Are there no landmark measures we can take?

[Yi] The environment can be said to be the most important element in creating a healthy living space. In our country's situation in particular, with limited land and a dense population, the destruction of nature and pollution problems can only grow more serious as time goes by. There are going to be various environmental measures, but increasing the rate of urbanization, such as in Germany, could be one alternative. This is to say we could disperse the population adequately by creating 100 or more medium-sized cities with populations of several hundred thousand, not huge cities such as Seoul, and reduce the great disparity between cities and rural communities. This year, we plan to go into detail and set up concrete measures.

[Interviewer] It has been pointed out that the area with the least progress since the birth of the Kim Yong-sam administration has been education reform. It is no exaggeration to say that, given our national circumstances of having no natural resources, it is education for cultivating human resources which decides our nation's future. But there still seems to be no concrete program of reform being presented. What do you think of this?

[Yi] I think that education policy must not be based on glowing popularity and that there must be basic reform. More than anything else, there must be landmark improvement in the content of education. I also believe that the

present educational system, with all roads going through the university, must be pluralized. This may sound somewhat abstract, but educational content must be changed so that people can grow up capable of living in a democratic community. We should also stress education fostering scientific and technical manpower.

[Interviewer] In an outlook of the future, the North Korean problem is like an alter ego one cannot remove no matter how hard one tries. How do you believe North Korean society will change? And what is your outlook on unification?

[Yi] First, on the premise that there is no alternative to a democratic unification, it seems to me only a matter of time. We are going to have to wait to see whether North Korea will plan self reform or whether it will go the way of a governmental collapse after passing through a power struggle. However, prospects are that the world of history will turn in the direction of drawing closer to unification.

[Interviewer] Finally, if I may digress, I'm curious as to the picture you draw for yourself in the 21st century.

[Yi] Since I was born in 1938, I should be able to remain at the university for about ten more years until I reach retirement age. I will have nothing more to hope for if I can continue until then to study issues which can help promote national development, as I am now. I'm even thinking about possibly being a reporter in my old age, if a watch-and-wait attitude of self restraint becomes established in newspaper companies.

Burma

Foreign Minister Returns From Malaysia Visit

*BK1407163694 Rangoon Radio Burma in Burmese
1330 GMT 14 Jul 94*

[Text] Foreign Affairs Minister U Ohn Gyaw, who went on a goodwill visit to Malaysia from 11-13 July at the invitation of Malaysian Foreign Minister Datuk Abdullah Haji Ahmad Badawi, arrived back at Yangon [Rangoon] by air this evening.

The foreign minister was welcomed at Yangon airport by Lieutenant General Myo Nyunt, minister of religious affairs; Lt. Gen. Tun Kyi, minister of trade; U Nyunt Swe, deputy minister of foreign affairs; and responsible personnel; and John Tenewi Nuek, Malaysian ambassador to Myanmar [Burma].

While in Malaysia, Foreign Affairs Minister U Ohn Gyaw met and held cordial and frank talks and exchanged views with Malaysian Foreign Minister Datuk Badawi on improved bilateral goodwill relations. Furthermore, Foreign Minister U Ohn Gyaw also met and held talks with the primary industries minister and the science, technology, and environment minister and visited the Malaysian rubber research institute and the palm oil research center.

During his visit, U Ohn Gyaw, delivered a speech on Myanmar's foreign policy at the Protocol and Foreign Relations Institute.

Myo Nyunt at Function, Warns of 'Disturbances'

*BK1307114394 Rangoon Radio Burma in Burmese
0630 GMT 13 Jul 94*

[Excerpts] Lieutenant General Myo Nyunt, commander of Yangon [Rangoon] military command, attended the Yangon command's 29th anniversary celebrations held at the command's Anawrahta Hall at 0900 yesterday morning and delivered an address and presented awards. [passage omitted on attendees]

Myo Nyunt said that today marked the 29th anniversary of the Yangon military command and it could be noted as a very auspicious day. He remarked that on this auspicious day he would like to explain to his comrades the history of the command, the good traditions of the tatmadaw [defense services], and the political, military, economic, religious, and cultural situations of the country. He noted that, since the inception of the Yangon military command to this day, all the officers, non-commissioned officers, and other ranks—in compliance with the four oaths of the tatmadaw—have been engaged in military operations, regional control, and the provision of full security for national leaders and state functions in the capital, Yangon. He explained the tatmadaw had a long history and today's tatmadaw is not meant for a single person, but stands as the backbone for the benefit of the country while upholding the three national objectives—the non-disintegration of the union, the non-disintegration of national solidarity, and the perpetuation of national sovereignty. [passage omitted]

Continuing, Lt. Gen. Myo Nyunt noted that, regarding the current political situation, the National Convention had been convened with six objectives for the construction of a strong nation. He said that some political parties, including deregistered and legally standing political parties, had been holding discussions. He noted that one such group, which has presented proposals to launch activities by clearly stating the dates, has been organizing activities with the aim of creating disturbances. He explained that we [the tatmadaw] are in the process of bringing about the two main duties—national reconciliation and the emergence of a new constitution. Next, Myo Nyunt remarked that we must all try and prevent some political parties that are taking advantage of the active, alert, curious, and adventurous nature of the youth by organizing them to follow the wrong path.

The Yangon military command commander remarked that the national government has been tackling the five fronts of the nation—the national political front, the military front, the administrative front, the economic front, and the social front—with five columns. He noted that some unscrupulous persons and some political parties, with western ideas, are opposing the success of each front. Myo Nyunt alleged that currently some western countries are again using the neocolonialist 3M System [Merchant, Missionary, and Military] [proceeding two words rendered in English]. He emphasized their penetration through religion and culture and noted that half-cast, uncouth cultures were taking root. He explained that there was a deteriorating [cultural] situation in restaurants and musical stage shows, which use modernization as a cover, and some persons were disregarding Myanmar [Burmese] culture and only looking at the face of money and popularity. [passage omitted]

Military Columns Clear Tachilek Drug Bandits

*BK1307160094 Rangoon Radio Burma in Burmese
1330 GMT 13 Jul 94*

[Text] Defense Services columns under the Eastern Military Command launched an offensive against Loimwe drug trafficking forces, who have made a stronghold in the (Myang Mong Nim) region, in the upper northwest of Tachilek Township, on 20 May. The military columns completed the capture of all the rebel bases on 12 July and the Loimwe drug bandits have fled the region.

More than 80 Loimwe drug bandits, who were injured in the battles, are reportedly being treated at a hospital in the rebel camp near the Thai-Myanmar [Burma] border. It has been learned that Kansit-Khun Sa, who headed the Loimwe drug bandit group which massacred innocent villagers who were mining gems near Mai Pan Creek in Mong Hsat Township on 20 March 1993, was killed in one of the battles.

Brunei, Malaysia & Singapore

Malaysia

Air Force Group To Attend Course in Russia

*BK1507110494 Kuala Lumpur BERNAMA in English
0802 GMT 15 Jul 94*

[Text] Kuala Lumpur, July 15 (OANA-BERNAMA)—The first batch of 38 officers and men of the Royal Malaysian

Air Force (RMAF) will leave for Russia soon for a MiG-29 technical training course, Deputy Defence Minister Wan Abu Bakar Mohamed said Friday.

Malaysia was acquiring 18 MiG-29 aircraft manufactured by the Mikoyan Design Bureau to beef up its air defence, he said when handing over certificates to nine RMAF officers including two pilots and 29 technicians here. The Air Force personnel had completed an intensive course in Russian at the Russian Cultural Centre in Jalan Ampang here.

The three-month course was conducted by Natalia Zuvereva, an officer with the Russian Embassy here in collaboration with the Malaysian National Translation Institute.

Wan Abu Bakar said Malaysia was purchasing the Russian aircraft not to match the military strength of other ASEAN countries but rather to replace its aging aircraft which had become outdated from the technical aspect.

Singapore

Joint Air Force Exercises Begin With Indonesia

BK0607154694 Singapore THE STRAITS TIMES in English 6 Jul 94 p 22

[Text] About 200 air force personnel and 16 aircraft from Indonesia and Singapore are taking part in an eight-day bilateral exercise starting today.

Codenamed Elang Indopura [Indonesia-Singapore Eagle], the biennial exercise is the eighth in the series between the two air forces since it started in 1980.

Both air forces will each deploy six A-4 Skyhawks, one C-130 transport aircraft and one Super Puma helicopter.

A Defence Ministry statement said yesterday that the exercise provides for professional exchanges between officers and men from the two air forces.

It is part of the ongoing series of defence exercise cooperation between Indonesia and Singapore which cover regular army, air force and naval exercises between the two armed forces.

This year's air exercise will be conducted in two phases.

The first phase is a two-day affair where the personnel from the two air forces will familiarise themselves with each other's operating procedures.

It will be hosted by the Republic of Singapore Air Force [RSAF] at the Paya Lebar Air Base.

The second, to be hosted by the Indonesians, will be the Air Manoeuvre Exercise. It will be conducted in the Medan and Pekan Baru area in Indonesia from this Saturday to Wednesday.

Aircraft from the two air forces will conduct various strike sorties at the Air Weapons Range at Siabu in Pekan Baru.

Yesterday morning, the Deputy Chief of Staff (Operations) of the Indonesian Air Force, Air Vice-Marshal Eko

Suwaroyo, and the SAF's [Singapore Armed Forces] director, Joint Operations and Planning Directorate, Brigadier-General [BG] Goh Yong Siang officiated jointly at the opening ceremony at Paya Lebar Air Base.

BG Goh also holds the appointment of RSAF Chief of Staff (Air Staff).

At the closing ceremony, which will be held in Medan on July 14, Indonesian Air Chief Marshal Rilo Pambudi and the Chief of Air Force Major General Bey Soo Khiang, will officiate.

Cambodia

KR 'Agents' Blamed for Battambang Explosions

BK1407120794 Hong Kong AFP in English 1153 GMT 14 Jul 94

[Text] Battambang, Cambodia July 14 (AFP)—Seventeen people were injured, one critically, after Khmer Rouge [KR] agents set off two time-bombs in a small park in Cambodia's second city of Battambang, the vice-governor said Thursday.

"It was a time-bomb made in China, it was put there by the DK (Democratic Kampuchea or Khmer Rouge)," vice-governor Serei Kosal told AFP.

The first explosion occurred around 8:20 p.m. (1220 GMT) Wednesday near some food stalls in the city-centre park, witnesses said.

Police and soldiers arrived on the scene within minutes, helped the injured people who were suffering from shrapnel wounds onto a truck and brought them to the city hospital.

About 15 minutes later a second explosive device, reportedly hidden in a trash can, went off, and injured more people who had gathered at the scene after the first explosion.

The most serious of the 17 injured was a 20-year-old policeman who had shrapnel wounds in both lungs.

A doctor said he was not sure whether the policeman would live through Wednesday night as the hospital had no capacity for thoracic surgery.

But the officer's condition improved Thursday, he said.

The vice-governor had no firm proof that the Khmer Rouge were responsible, but he said there were many suspected Khmer Rouge agents in the city. The authorities, however, could not arrest them until a new law formally outlawing the rebels was promulgated.

Parliament voted unanimously in favour of the law last week, which contains a series of tough measures against the radical faction, including the power to arrest its members, sentence them to stiff prison terms, ranging from 20 years to life, and seize its assets.

Acting head of state Chea Sim, in the absence of King Norodom Sihanouk, who is being treated for cancer in Beijing, is expected to promulgate the law shortly.

Meanwhile, a government army officer reported that Khmer Rouge guerrillas had blown up three bridges along National Route 6 in the Sot Nikum district of Siem Reap province.

The guerrillas were also active near the town of Poipet, on the Thai-Cambodian border, where 14 local people were wounded in a Khmer Rouge artillery attack early this week, the officer said.

Government forces killed 34 guerrillas in a series of clashes in north and northwest Cambodia over the past week, he said, adding that some 59 others defected.

The officer, however, said he would not reveal government casualties as they were "secret."

But Khmer Rouge radio, monitored in Bangkok, said its guerrillas had killed more than 100 government troops in clashes over the past 10 days. A government official, however, dismissed the report as rebel propaganda.

Thailand Cleared of Role in Abortive Coup

BK1507044994 Bangkok THE NATION in English 15 Jul 94 pp A1, A4

[Text] Phnom Penh—Cambodia's second prime minister, Hun Sen, has assured foreign diplomats here that the Thai government and the Thai military were not involved in the abortive coup earlier this month, the Thai Ambassador to Phnom Penh said yesterday.

Sakthip Krairoek said diplomats were yesterday informed that the investigation into the Thais detained on suspicion of participating in the coup attempt will be concluded as soon as possible.

It is the first time that Hun Sen has given diplomats details of the incident. Hun Sen himself has been accused of masterminding the coup. Two leaders of the botched attempt to take over the trouble-stricken country, Prince Norodom Chakkrapong and Gen Sin Song, are both members of Hun Sen's Cambodia People's Party.

First Prime Minister Norodom Ranariddh's comments last week that the detained Thais were probably snipers sent to assassinate top Phnom Penh officials prompted angry denials in Bangkok. Senior Thai officials, already annoyed by persistent charges that the Thai military still supported the Khmer Rouge, said Cambodia might be trying to find a "scapegoat" for an internal power struggle.

Sakthip said Hun Sen had told foreign diplomats it was impossible that the Thai government or the Thai military backed the abortive coup.

"Hun Sen informed us that he got wind of the coup the day before it took place. He spoke to a general who fled to Vietnam. That general told Hun Sen everything he needed to know to suppress the coup without bloodshed," Sakthip said.

The arrest of 14 Thais at Pochentong Airport was instigated by bystanders who thought they might have been involved, the diplomats were told.

The detained Thais were being investigated for a second time, after an earlier investigation cleared them of involvement, a source had said.

Hun Sen stressed that the investigation into the Thai detainees would be fair, and they would be released as soon as their innocence could be established. Cambodia did not want to go on footing the bill for their stay in local hotels.

"The premier also stressed that Cambodia will handle the investigation with respect to basic human rights. The Thai ambassador will be allowed to visit the detainees again," Sakthip quoted Hun Sen as saying.

Sakthip on Monday visited the men for the second time since July 3, when they were rounded up at the airport.

The envoy described conditions in the rooms of two unnamed hotels as "comfortable". The men had been split into two groups.

"They are being well treated. Some told me that they had felt ill and the Cambodians summoned doctors. One of the men was eating boiled rice, because he has a sore throat," the envoy said.

One of the two groups of detainees was being accommodated on the top floor of a hotel. Ordinary customers were checking in and out of the establishment oblivious to the fact that the Thais were being detained there, Sakthip said.

The second round of investigations was expected to be concluded last night, with the result being forwarded today to the co-interior ministers, who are chairmen of the investigating team.

Meanwhile Army Commander in Chief Wimon Wongwanit, who earlier vehemently criticized Cambodia for suggesting that the Thai military was behind the coup, softened his stand yesterday.

"We are ready to send a military attache to Cambodia to coordinate with military officials, and to bolster mutual understanding. I also want everybody to be patient and to understand the situation," he said.

Minister: Coup Suspect To Return 'Soon'

BK1407150094 Phnom Penh CAMBODIA DAILY in English 14 Jul 94 p 5

[Text] Chay Sangyun, the secretary of state for defense who is under warrant for arrest following the July 3 attempted coup, will return to Cambodia "soon," Defense Minister Tie Banh told the CAMBODIA DAILY yesterday. He also said Chay Sangyun was innocent of direct involvement in the coup allegedly led by renegade CPP [Cambodian People's Party] members Prince Norodom Chakkrapong and Sin Song. "You should not say arrest Chay Sangyun. He made no mistake. Perhaps he knew about who was behind the coup and feared for his safety and escaped for that reason," Tie Banh explained.

Defense Minister Understands Thai Position

BK1507080994 Bangkok THE NATION in English 15 Jul 94 p A7

[Text] Phnom Penh—Cambodia's Defence Minister Gen Tie Banh said this week that his armed forces understand the policies of the Thai government and military concerning the Khmer Rouge.

Gen Tie Banh acknowledged that it was difficult for Thailand to bar local villagers living along the Thai-Cambodian border from their long-time trading with Khmer Rouge members.

He said it was impossible to deploy enough soldiers along the long border to completely ensure that the guerrillas were not receiving outside support.

"The blame for supporting the Khmer Rouge should not fall on the Thai government and military as a whole as we understand their policies," he said.

He said he had tried to explain the difficulties Thailand faces to other members of his government, some of whom understand him while others, including Foreign Minister Prince Norodom Sirivut, remain convinced that Bangkok has not yet ceased supporting the faction.

The Cambodian government will invalidate several different kinds of passports and issue a new official one.

Thai Paper: France Threatens End to Cambodia Aid

BK1407144094 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 14 Jul 94 pp 1, 2

[All quotation marks as published]

[Text] A Thai newspaper has reported that a number of import-export companies support the Cambodian Ministry of Trade in opposing the Ministry of Economy and Finance, which has authorized the ITS [Inchcape Testing Services International Limited] to conduct inspection on the import-export goods. This newspaper added that the French ambassador also opposes the establishment of this British private company, and threatens that, if the company's operation is allowed, France will withdraw and stop all aid.

Recently, Minister of Economy and Finance Sam Rangsi, using his right as the minister, appointed the ITS, a private company from Britain, to inspect the import-export goods and set tariff rates on all goods.

This move has led to a serious dispute between the Ministry of Trade and Ministry of Economy and Finance. The two ministries have issued their own statements on the matter and reported it to Prince Krompreah Norodom Ranariddh, but so far the government has not yet made any decision.

The Ministry of Economy and Finance wants to proceed with this inspection and set a clear measure for more effective collection of tariffs because it has come to realize that the government has so far lost a great deal of income

from tariff collection due to collusion between dishonest officials and the businessmen. This is why the Ministry of Economy and Finance wants this ITS to take care of the goods control on its behalf.

But the Ministry of Trade has taken this move by the Ministry of Economy and Finance as interference in its jurisdiction, arguing that it has already established a control committee to carry out this role.

This Thai newspaper, PHUCHATKAN, said it is true that 70 percent of the income comes from the tariff collection. Therefore, it is imperative for the Ministry of Economy and Finance to take measures on this matter. However, this ministry forgets that the remuneration to be given in return for the ITS will be a loss to the state income. According to the agreement, the Ministry of Economy and Finance must pay remuneration of 1 percent of the FOB [Free on Board] merchandise to the ITS. Moreover, the ITS will not handle any merchandise that is worth less than 200 dollars.

Concerning this matter, an official of the Thai Farmers' Bank Limited said it is good to have a company to help manage the state earnings. On the contrary, Mr. Sam Rangsi forgets to think about the fact that the ITS is a private company that also does business. Certainly, in doing business, one also seeks profit.

This official added that due to this approval by the Ministry of Economy and Finance, a number of the import-export companies might be afraid, especially of possible tariff increases. If the minister insists on this, it is believed that the entire Cambodian economy will certainly be affected.

The Thai Chamber of Commerce in Phnom Penh also reported that last week (at the beginning of July), Thai companies doing import-export business in Cambodia signed a joint protest against the Ministry of Economy and Finance concerning this matter. The French ambassador to Phnom Penh also sent a letter in reaction to the minister of economy and finance's decision on the establishment of this British private company. The French Embassy's letter carried by this Thai newspaper stressed:

"We disagree with the move to allow a private company to monopolize a highly competitive business that falls under the responsibility of the government itself. However, if the Cambodian Government insists on complying with the decision of the minister of economy and finance, as far as the French Government is concerned, there might be an interruption in the aid France gives Cambodia. France might consider further reducing or cutting this aid completely..."

On the morning of 12 July REAKSMEI KAMPUCHEA asked a French Embassy official to confirm the content of the above letter. He said that concerning this ITS company, the French Embassy has already submitted a letter to the Ministry of Economy and Finance. However, when we talked over the phone to the personal secretary of the economic minister, he told us that he "was not yet informed of this matter."

Commerce Minister on Delay in Customs Deal

BK1407145794 Phnom Penh CAMBODIA DAILY in English 13 Jul 94 p 7

[Text] Minister of Commerce Va Huot confirmed Monday that Inchcape Testing Services cannot begin pre-shipment customs inspections until the deal, signed by the Ministry of Economy and Finance, is approved by the Council of Ministers. Furthermore, the issue will not be discussed until the "trade code" or commercial law, is finalized, he said. The Ministry of Economy and Finance said last month that Inchcape was to begin its first inspections July 1 and William Fletcher, the company's general manager, said Monday that Inchcape submitted its application to begin operations in Cambodia over two months ago.

Editorial Urges Review of Economic Policies

BK1407163494 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 14 Jul 94 pp 1, 2

[Editorial: "A Warning from France"]

[Text] If what the Thai newspaper, PHUCHATKAN, reported concerning the ITS [Inchcape Testing Services International Limited] was true, the Cambodian Royal Government should carefully study the matter before making any decision on the fate of this company.

It should be recalled that the Thai newspaper PHUCHATKAN reported recently that France has threatened to reduce or cut all its aid to Cambodia if the Royal Government insists on complying with the proposal of Sam Rangsi who wants the ITS, a British private company, to monopolize the inspections of all import-export goods in Cambodia.

It is true that the selection of an economic partner is the internal affair of the Cambodian Royal Government in its capacity as the leader and ruler of an independent country. The disputes that have taken place elsewhere should not have been used to cause a problem in this poor Cambodia. Nevertheless, the Royal Government should also take this French warning into consideration.

Those who have monitored the economic situation in Cambodia have said that the Royal Government should thoroughly study the dispute concerning the ITS company. This study should be made not because of this French reaction but for the sake of Cambodia's lofty interest. They also stressed that the selection of a new partner at the cost of losing the existing partners should not be made. According to the Thai newspaper PHUCHATKAN, in addition to France's opposition, there is also a negative reaction from many Thai companies over the decision to give this right to ITS. Therefore, if the rejection of this ITS role coincides with Cambodia's interest, one should not be too shy to accept the truth.

In addition to the ITS issue, the Royal Government should also review the other economic policies that have been criticized by various circles as a cause for Cambodia to lose a number of economic allies.

This poor Cambodia is in need of cooperation and a great deal of aid for national development. It is believed also that the people certainly do not want any brag about such a meaningless economic solution.

Indonesia

Australia Sees Territory as ASEAN Link

BK1407160394 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 30 Jun 94 p 13

[By Correspondent Greg Earl in Jakarta]

[Text] Australia is looking at using the Northern Territory's [NT] links to eastern Indonesia as a way of pushing ahead with a possible formal economic bond between Australia and South-East Asia.

The Minister for Trade, Senator McMullan, raised the idea during yesterday's Expanding Horizons business conference in Jakarta, where the proposal for closer economic links was a key feature of speeches by business and political figures.

The Federal Government has significantly lifted its level of discussion about the idea after receiving its first support from Indonesia's President, Mr Suharto, and other ministers during discussions this week.

Senator McMullan said yesterday that while a formal link between the Closer Economic Relations agreement—which links Australia and New Zealand—and the Association of South East Asian Nations Free Trade Area [AFTA] was still only being discussed, Australia was now definitely "looking at ways of building short term and long term linkages".

He said one way of starting the process would be to use the Northern Territory participation in an economic zone with eastern Indonesia or with a broader east ASEAN growth area.

Indonesia's Investment Coordination Minister, Mr Sanyoto Sastrowardoyo also strongly encouraged Australia to use the NT-east Indonesia relationship as a means of joining an east ASEAN growth area and to make Darwin a base for Australian business engagement with the region.

Senator McMullan said the Federal Government was looking to the special committee headed by Mr Neville Wran—which will report soon—to provide further ideas on how to develop the NT link to ASEAN.

Australia needs strong support from Indonesia for any link to ASEAN in order to overcome expected opposition from Malaysia, and the elevation of the ASEAN linkage to a formal matter for public discussion this week reflects confidence within the government that Indonesia is on side.

The moves within ASEAN towards a more regional economy have received new life this week with a package of tariff reduction measures from Indonesia and a prediction yesterday from the Coordinating Minister for

Industry and Trade, Mr Hartarto Sastrosoenatro, that Indonesia would support faster AFTA tariff reduction.

The ASEAN nations last year endorsed a program to secure a common regional tariff for manufactured goods of 5 percent within 15 years but Indonesia has previously been reluctant to speed up this program despite urging from other members.

Mr Hartarto said yesterday: "We do believe we can accelerate the implementation of AFTA."

"In addition to promoting inter-ASEAN trade and investment, AFTA will not only work towards changing the global and regional economic environment but aims at enhancing the region's attractiveness as an investment location."

He said AFTA was just one of a number of initiatives being promoted within ASEAN to become involved in larger groups within the Pacific region.

* Harmoko Interviewed on GOLKAR, PPP

94SE0162A Jakarta ANGKATAN BERSENJATA in Indonesian 10 Jun 94 p 1

[Text] Jakarta (ANGKATAN BERSENJATA)—H. Harmoko, general chairman of the Central Executive Council of GOLKAR [Functional Groups political party], has stated that the meeting of ulamas [religious officials] from Nahdlatul Ulama [NU—Muslim Scholars party], planned to be held in Rembang [Central Java] on 26 June, will have no influence on GOLKAR members who were originally members of the NU.

Harmoko is convinced that GOLKAR members who originally came from the NU will not join the Development Unity Party (PPP).

Answering questions from reporters after presiding over the opening of the technical working meeting of the Youth Department of the Central Executive Council of GOLKAR, held in the GOLKAR Central Executive Council Building on 9 June, Harmoko said: "I am convinced that GOLKAR members who originally were members of the NU have a high sense of awareness, because they have carefully thought over their functional doctrine. They entered GOLKAR, not to serve their personal interests, but the interests of the country."

In answer to a question as to whether GOLKAR is preparing to take certain, anticipatory action against the "Rembang Meeting," Harmoko firmly stated that GOLKAR has no intention of doing that. He said: "GOLKAR's activities involve how to implement its clearly defined program in a way which will usefully serve the interests of the people and the country."

Asked about the strong desire of NU groups and other elements in the PPP for the party with the symbol of a star on a shield to grow larger, Harmoko, the general chairman of the Central Executive Council of GOLKAR, stated that the PPP is a friend of GOLKAR and so is the PDI [Indonesian Democracy Party].

Harmoko considers that the Rembang Meeting is a good thing because it favors national development. He said: "There is no problem for GOLKAR if the PPP wants to become a large party. I believe that all social and political organizations want to be large."

Role of Youth

Meanwhile, in his speech opening the technical working meeting of the Youth Department of the Central Executive Council of GOLKAR Harmoko said that youth have a special role to play. That is, youth as the human inspiration of national development, youth who carry out the objectives of the national struggle, and youth who implement the development program.

Harmoko said that these three roles of youth need to be given meaning and substance which will make it possible for them to perform the roles as a whole in accordance with the dynamics and the stage of community development.

Harmoko hoped that it would be found necessary to create a healthy, youthful, and dynamic atmosphere and to pay attention to the challenges and demands of future development, so that this achievement will help to expand youth activities with their useful power and useful achievement.

Asked whether the role of youth at present is weakening, compared with that of youth at the time of the struggle for independence, Harmoko firmly stated that the role of youth at present is of no less importance than it was in the past.

Harmoko stated: "The spirit of the times, which are changing, cause the role of youth to change also. The proof of this is that many youths have mastered technical matters which are important for the people. Many have gone down to the villages to increase the power of village youth."

Meanwhile, Rambe Kamarulzaman, one of the chairmen of the Youth Department of the Central Executive Council of GOLKAR (who is also an executive chairman of the technical working meeting) said, that from this technical working meeting it is hoped that program synchronization will emerge. It is also hoped that the forward movement of the younger generation of GOLKAR in developing a dynamic spirit of living which is committed to dialogue, is rational, open and transparent.

Some 280 persons are attending the technical working meeting, which will continue in session until 11 June. It is hoped that a standard of maturity will be achieved for the role of the younger generation of GOLKAR, both in terms of format and in the qualitative structure of its officials, as well as in terms of playing an active role in developing a role to follow in life.

Laos

Minister Receives U.S. Presidential Group

BK1407151894 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 13 Jul 94

[Text] On 5 July at the reception hall of the Interior Ministry, Major General A-sang Laoli, interior minister of

the Lao People's Democratic Republic [LPDR], received a courtesy call from a delegation of envoys of the U.S. President led by Hershel Gober, deputy secretary of veteran affairs, who paid a visit to the LPDR to hold consultations [with Lao authorities] on the search for the remains of U.S. soldiers missing during the war.

At the meeting, our interior minister highly assessed the visit to the LPDR by the delegation of the envoys of the U.S. President, terming it as a contribution to further promoting the relations and cooperation between the LPDR and the United States. He also informed the guests of the humanitarian policy firmly adhered to by the LPDR Government in consistently giving cooperation to the U.S. side. The Lao Government will continue providing all possible cooperation [to the U.S. side] in searching for the U.S. POW's [as heard] and the remains of U.S. soldiers missing during the war.

Hershal Gober thanked the Lao Government and the interior minister for welcoming and consistently giving cooperation to the U.S. side in carrying out this work. He said the U.S. Government acknowledged that the Lao Government has rendered wholehearted cooperation to it in this regard.

Leaders, Diplomats Mourn Kim Il-song

BK1407150994 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 14 Jul 94

[Text] This morning, members of the Lao People's Revolutionary Party Central Committee [LPRP CC], the National Assembly, and the Government of the Lao People's Democratic Republic [LPDR] headed by Comrade Khamtai Siphandon, chairman of the LPRP CC and prime minister of the LPDR; Comrade Nouhak Phoumsavan, president of the LPDR; Comrade Saman Vignaket, chairman of the National Assembly, members of the LPRP CC Political Bureau, and ministers in the government laid wreaths at the DPRK Embassy in Vientiane to mourn Comrade Kim Il-song, secretary general of the Workers' Party of Korea Central Committee and president of the DPRK, who passed away at the age of 82 from a heart attack in Pyongyang on 8 July.

The LPRP CC, the National Assembly, and the LPDR Government would like to express our profound grief on the passing away of Comrade Kim Il-song, the great leader of the fraternal Korean people, a determined fighter of the revolutionary and progressive forces in the world, an outstanding activist in the international communist movement, a close and intimate friend and comrade of the Lao party, state, and people. We firmly believe that Comrade Kim Il-song's ideals and tasks will be further continued, enhanced, and translated into reality.

On the same morning, the delegations of the Foreign Affairs Ministry, the Justice Ministry, the Ministry of Industry, and various departments and services also took turns to express their condolences and grief over the death of Comrade President Kim Il-song. On 13 July, representatives of various other ministries, departments, and foreign missions as well as those of the Committee for

Planning and Cooperation; the office of the LPRP CC; the Prime Minister's Office; the Ministry of Education; the Ministry of Communications, Transport, Posts, and Construction; the Ministry of Labor; the Ministry of Trade; the Ministry of Agriculture; the Ministry of Information and Culture; and the embassies of Malaysia, India, Mongolia, Thailand, and Poland in Laos also laid wreaths at the DRRK Embassy to mourn the death of Comrade Kim Il-song.

State Agencies Mourn Kim Il-song's Death

BK1307114294 Vientiane KPL in English 0912 GMT 13 Jul 94

[Text] Vientiane, July 13 (KPL)—Representatives of state agencies, mass organisations, foreign missions and international organisations in Vientiane yesterday paid floral tributes at the Embassy of the DPRK to President Kim Il-song.

Kim Il-song, president of the DPRK and general secretary of the Workers' Party of Korea Central Committee, died from a heart attack in Pyongyang on July 8 at the age of 82.

Vientiane Governor Visits Thailand

BK1407145194 Vientiane KPL in English 0944 GMT 14 Jul 94

[Text] Vientiane, July 14 (KPL)—Vientiane Governor Mr. Mounkeo Olaboun led a delegation of the province to visit Thai Loei Province between July 8-11, at the invitation of Thai provincial governor.

The visit was to experience on local socioeconomic development and to (?enhance) the bilateral relations and cooperation. The two provinces have open two border points to each other: the first between Sanakham and Chiangkhan, and the second between Ban Vang and Ban Kok.

The border crossing points have considerably facilitated contact and goods exchange between the two provinces.

Thai Firm Develops Economic Zone in Vientiane

BK1307122694 Vientiane KPL in English 0913 GMT 13 Jul 94

[Text] Vientiane, July 13 (KPL)—The Lao Government has agreed for a Thai international limited company to jointly invest in the development of a special economic zone in the Municipality of Vientiane.

An agreement on the joint venture was signed at the Belvedere Hotel yesterday between the representative of the municipal finance service, Kham-ai Vannachan, and the executive president of the Molad Real Estate Development Public Co. Ltd of Thailand.

The signing was witnessed by Deputy Prime Minister and Planning and Cooperation Committee President Khamphoui Keoboulapha, and Vientiane Mayor Boun-guang Volachit, among some other ministers.

The joint investment has the objectives to build up and develop the special economic zone within which nine projects are to be implemented. The projects include the industrial farm project, the hotel and tourism project, the duty-free shop project, the trade arcade project, the entertainment center project, the sports centre project, the golf course project, the residential project and others.

The Thai company will put 40,000 shares amounting to U.S. \$4 million in the joint venture, 25 percent of which will be contributed within six months while the rest will be paid within three years after the corporate establishment.

In the first ten years of operations, the company will use about U.S. \$120 million capital. According to Company Executive Manager Prathiptra Lohaka, three months after the signing of the agreement, the first project to start will be the industrial farm project and the trade arcade project. He said that the project and its facilities will be carpeted in green to make it suited with the natural conditions and climate of Laos.

He also said that all the projects will use about 3,000 to 4,000 million kip and cover a total area of about 1,000 hectares as allowed by the Lao Government. The area, which is on lease for 55 years, is located in the District of Hatsaifong. Upon the term expiry, all the facilities will be transferred to the Lao Government.

Following the signing of the joint venture agreement, the Thai company presented 100,000 baht [Thai currency] cash and a set of computer to the municipality for use in the restoration of That Dam (black stupa) and also gave another set of computer to the Lao Government.

National Assembly Activities Reported

Debates Draft Budget Bill

BK1507112894 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 15 Jul 94

[Text] The Fourth Extraordinary Session of the 3d National Assembly, which began on 4 July, entered its 10th day yesterday. During yesterday's sitting, the session heard views contributed by Assembly members on the draft state budget bill proposed by National Assembly Vice Chairman Khambou Sounisai. Finance Minister Khamsai Souphanouvong then read the details of the draft state budget bill for debate and approval by the Assembly. National Assembly Chairman Saman Vi-gnaket, who chaired yesterday's sitting, pointed out certain parts of the draft bill. He advised Assembly members on how to debate and study the draft legislation in a profound manner in conformity with the reality of Lao society, especially to ensure that the management of state budgets will be carried out in accordance with the centralized and unified principle.

Deliberation on Business

BK1407144694 Vientiane KPL in English 0917 GMT 14 Jul 94

[Text] Vientiane, July 14 (KPL)—The National Assembly in the past nine days of its fourth extraordinary session has

completed the deliberations on the bills on business operations and taxation, and now continued with a bill on budget.

The deliberations of the two law bills have been conducted in an active and responsible manner by national assembly members, who have set forth their opinions about the contents of these bills. They have unanimously agreed to the approaches and the fundamental substances of both the business and taxation bills, which are found corresponding with the Constitution of the Lao PDR [People's Democratic Republic] as well as the economic renovation policy of the party and the country's social and economic reality.

The consideration on the budget bill, the last for this session to make, will last two days.

Philippines

Protest Over Spratly Lighthouse Dismissed

BK1507081794 Quezon City Radio Filipinas in English 0230 GMT 15 Jul 94

[Text] The Vietnamese Embassy in Manila Thursday brushed off a Philippine protest over the building of a lighthouse in the disputed Spratly Islands, saying they were navigational aids to ships irrespective of flags.

Earlier this week the Philippines' Foreign Affairs Department said it has told Hanoi of Manila's concern over the construction of the lighthouse at Song Tu Tay Island which it said was on the border of Filipino-claimed territory in the area.

A Vietnamese Embassy spokesman said he did not think the row would hinder efforts of reaching a solution to sovereignty of the reputed oil-rich South China Sea chain which is claimed in whole or in part by Brunei, China, Malaysia, the Philippines, Taiwan, and Vietnam.

Police Capture Communist Guerrilla Leader

BK1507075194 Quezon City Radio Filipinas in English 0230 GMT 15 Jul 94

[Text] Philippine police Thursday captured a communist guerrilla leader believed involved in the killing of seven American servicemen outside the former U.S. Clark Air Force Base in Pampanga in 1987.

Police said guerrilla leader Armando Guerrero was captured after a two-hour gunbattle at the outskirts of Angeles City, some 80 kilometers north of Manila. A companion of Guerrero who is also believed to be a communist guerrilla was wounded but escaped.

Police were on surveillance when the rebels reportedly fired at them, triggering the battle.

AFP Chief Says Seized Arms Not From Military

BK1507092394 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 14 Jul 94

[Excerpt] The firearms which were confiscated by the military at the Abu Sayyaf leader's house in Zamboanga

city did not come from the Armed Forces of the Philippines [AFP] Logistics Command [Logcom] at Camp Aguinaldo.

According to AFP Chief of Staff General Arturo Enrile, the serial numbers on the seized arms did not match the inventory or list maintained by Logcom. Enrile said the Abu Sayyaf group was trying to destroy the AFP's credibility and implicate them in Abu Sayyaf's illegal activities when the group announced earlier that their arms came from the AFP. [passage omitted]

Students' Abu Sayyaf Links To Be Investigated

*BK1507110794 Manila BUSINESS WORLD in English
13 Jul 94 p 8*

[By Sandra S. Aguinaldo, Paul N. Villegas, and Leda A. Esguerra]

[Excerpt] The Bureau of Immigration is set to investigate some 5,000 foreign students in connection with current military operations against the extremist group Abu Sayyaf.

In an interview with reporters, Immigration Commissioner Zafiro Respicio said the bureau will begin its investigation today and expect to end by Friday. He said they already have the complete list of foreign students in the country and the universities where are supposedly enrolled in.

"National security is at stake," Mr. Respicio said.

He indicated the bureau will prioritize monitoring the activities of an estimated 1,500 Middle East and Arab nationals including Pakistanis, Yemenis, Lebanese, Jordanians, and Iranians, but quickly added he is not accusing them of involvement with the Abu Sayyaf.

Mr. Respicio said his bureau is not authorized to determine the involvement of foreign students but will only examine their immigration status.

An offshoot of military operations in Mindanao, the immigration bureau's investigation will also take into account reports that foreign students who are supposed to be enrolled in Luzon are now in Mindanao.

He added they will decide whether or not to dispatch more agents to Zamboanga upon receipt of assessment reports from immigration agents already in the area.

The National Bureau of Investigation, meanwhile, has sent a team to Zamboanga following the order of Justice Secretary Franklin Drilon. The team is tasked to gather intelligence information on Middle East nationals.

Six foreign nationals have been arrested since the military and the bureau begun their operations against suspected Abu Sayyaf supporters.

As this developed, the Iranian Embassy yesterday denied news reports linking Shamsoddin Hosseini, an Iranian

national who was recently arrested by immigration agents in Zamboanga City, to the operations of the outlawed Abu Sayyaf.

In a statement, the embassy said Iranian ambassador to the Philippines Abdulazim Hashemi Nik visited Zamboanga City last 8 July to check if the arrest of the said Iranian national had anything to do with the Abu Sayyaf activities.

"According to clear expressions of General Chavez, deputy commander of the Southern Command Army, and Mama Kasan, the immigration agent from Manila, there was no single Iranian case of such type in Mindanao," the ambassador said, stressing the Iranian national was arrested because of overstaying in the country.

Messrs. Chavez and Kasan clarified that the Iranian national was only detained for staying illegally. They added that the detainee will be sent to Manila soon and, after his documents have been clarified, may be released afterwards.

During talks with the Iranian envoy, the detainee "insisted that he never had relations with any opponent group and requested for his freedom," the embassy said.

Mr. Hosseini is married to a Filipina with three children and is into the shellcrafts business. He resides in Baliwasan Grande.

The embassy further noted that "some neighbors and relatives also gathered and brought a petition signed by almost 50 homeowners indicating their trust on Mr. Hosseini and his innocence."

The embassy asked "why an Iranian national who himself and his neighbors insisted on his dissociation with political and opponent groups should be alleged in mass media for relation with the Abu Sayyaf group." [passage omitted]

Thailand

U.S. Said Preparing To Go 'Against GATT'

*BK1507103894 Bangkok KRUNGTHEP THURAKIT in
Thai 15 Jul 94 p 1, 6*

[Text] Deputy Prime Minister Suphachai Phanitchaphak said that the United States is preparing to promulgate a trade and financial service as a means of pressing for access to the financial markets of its trade partners. Such a law is against the GATT principle.

However, this issue will be brought up for discussion in the World Trade Organization (WTO) to find a clear-cut solution, because many countries are still not ready to liberalize their financial markets.

No conclusion on this issue was reached at the multilateral trade talks under the auspices of the GATT late last year. However, it was agreed that each country should try to work out a solution with its trade partners.

Regarding the pressure imposed by the United States on Thailand for the liberalization of the latter's insurance

business, Deputy Prime Minister Suphachai Phanitchaphak said that Thailand has been prepared to do so with not only the United States but also with all countries. Thailand is also planning to liberalize its monetary business. Liberalization of the insurance business will certainly benefit the consumers.

However, it is undeniable that Thailand is not yet ready to liberalize its insurance business because local insurance companies are still weak. It will take another five to ten years before they will be strong enough for competition.

A source inside Government House revealed that the Commerce Ministry has already completed revising the law and is now waiting for Commerce Minister Uthai Phimchaichon to review it before forwarding the amended law to the cabinet for approval.

Karun Kittisathaphon, deputy permanent secretary of the Commerce Ministry, said he had held consultations with agencies concerned on the opening of the service market which incorporates banking, stock market, and telecommunications for foreign entrepreneurs and all of them agreed that Thailand can become a member of the WTO before 1 January 1995 without having to amend any law. He noted that all the obligations Thailand has to honor under the GATT agreement are not against the existing law. Therefore, no law is required to be changed.

Karun said that Thailand proposed, in principle, to GATT that foreigners can do business in Thailand provided that their equity holding does not exceed 49 percent, as stipulated in the law and the Revolutionary Council Announcement No. 281.

According to a source in the Ministry of Agriculture and Agricultural Cooperatives, the GATT Obligations Subcommittee recently met to review the 15 GATT obligations for the agricultural products and agreed that none of the obligations go against Thai law.

The Ministry of Agriculture and Agricultural Cooperation has been empowered by law to control the import and export of farm products for health and hygienic reasons as well as epidemic prevention, not for trade purposes.

East Timorese Banned From Human Rights Meeting

BK1507060594 Bangkok THE NATION in English 15 Jul 94 pp A1, A4

[Text] A blacklist to prevent the entry into Thailand of 11 East Timorese intending to attend a human rights conference timed to coincide with the ASEAN meeting next week was issued yesterday to the Immigration Bureau by Police Director General Pratin Santipraphop.

Compounding the sensitivity of the East Timor issue for the forthcoming ASEAN meeting, Indonesia authorities yesterday broke up a student protest against the military. A human rights activist said three students were killed, but the military denied any deaths.

The blacklisted names, according to an informed government source, were compiled by the Interior Ministry and the Foreign Ministry, in consultation with Indonesian authorities, and are the same Timorese banned from attending the Asia-Pacific Conference on East Timor held in Manila at the end of May.

The source added that the ban would be enforced in the "ASEAN spirit" of not allowing one country in the region to be used to discredit another.

According to the source, Jakarta "was very unhappy" with a press conference on East Timor given by the Timorese resistance at the Foreign Correspondents Club of Thailand last October, when a peace plan was outlined to end 19 years of fighting against the Indonesian military.

At that time, Bangkok was "genuinely unaware of the press conference" and would have stopped it had it been informed beforehand, according to the source.

The source said Jakarta "fully understands" the Thai position, and that the latest move to blacklist a group of East Timorese was "purely Thailand's judgement" as it does not want to face difficulties similar to those the Philippine government faced.

The Asia-Pacific Conference on East Timor was held in Manila despite President Fidel Ramos issuing a ban on all foreign participants after being pressured by the Indonesian government to abort the meeting.

The Quezon City Regional Trial Court issued a temporary restraining order to prevent the conference from being held, but the Philippine Supreme Court overruled it.

"Indonesia does not have to request us (to stop the conference), and they have not done so. We (Thailand) are well aware of the incident in the Philippines, and that is why they (Jakarta) do not have to tell us anything," the source said.

According to Pol Gen [Police General] Pratin, the East Timorese belong to the Fretilin resistance group, and are opposed to the Indonesian government.

They also intend to join Burmese groups in Thailand at a human rights conference to be held at the same time as the ASEAN Ministerial Meeting and the ASEAN Regional Forum from July 19-25, the police chief said.

According to Pratin, the East Timor resistance is led by Jose Ramos Horta, who is already in the country after flying in from Hong Kong on June 3. The police chief added that Horta reportedly went to Manerplaw, a command post for the Burmese resistance, for a meeting with anti-Rangoon minority group leaders.

A police source said Horta and any other Timorese travelling with him will be "pressured" to leave the country.

Both East Timor and Burma will be featured prominently in the human rights conference to be held at Chulalongkorn

University. The conference is being organized by a consortium of non-governmental organizations (NGOs) under the network of the Southeast Asian Human Rights Network (Seanet).

Pratin reiterated that the Thai police would keep a close watch on East Timor activists and Burmese dissidents in Thailand.

At the end of June, Malaysian human rights groups decided to test the diplomatic waters and organized a one-day forum on East Timor in Kuala Lumpur.

Despite official protests from Jakarta that ties between Malaysia and Indonesia could be affected by the meeting, the forum went on without incident.

Indonesia invaded East Timor in 1975 and annexed it since 1975, an estimated 200,000 Timorese out of a total population of 600,000 have died from disease, famine and fighting. Human rights groups say East Timor is the worst case since World War II in terms of the proportional loss of population.

The United Nations does not recognize Indonesian rule over East Timor, and still considers Portugal the island's administrator.

Meanwhile, the Interior Ministry yesterday delivered letters through the Police Special Branch to Chulalongkorn University and the Students Christian Centre, instructing both organizations to obtain official permission to hold the conference.

The letters stated that Thai law requires foreign organizers of public seminars or conferences to obtain official approval 30 days in advance of the event. The law does not apply to Thai organizers.

One of the key organizers of the human rights conference in Bangkok has said that the conference was arranged purely by Thai human rights agencies.

Bunthan T Werawong, a senior member of the Coordinating Committee of Human Rights Organizations in Thailand, an umbrella organization of a number of Thai human rights, peace and religious groups under Seanet, is the main organizer of the conference.

He said the Interior Ministry's order banning the East Timorese is clearly a violation of human rights.

Bunthan said the human rights conference here is mainly to assess developments one year after the UN World Human Rights Conference in Vienna, in which Thailand also participated. He said the Vienna Declaration and its Plan of Action clearly state that UN members are committed to promote respect for human rights.

Burmese Students on Violence at ASEAN Meeting

*BK1507093294 Bangkok BANGKOK POST in English
15 Jul 94 p 3*

[Text] The anti-Rangoon All Burma Students' Democratic Front [ABSDF] declared yesterday it would not engage in

violent means to oppose the presence of Burma's military junta's representatives at the ASEAN ministerial meeting in Bangkok from July 22-28.

The ABSDF said in a statement released yesterday its members would not employ violence either individually or collectively, openly or covertly, to mar the meeting in the promotion of their cause.

The movement denounced Thailand for extending an invitation to the State Law and Order Restoration Council [SLORC], the official name of the military junta, to send representatives to observe the meeting, and deplored ASEAN's "constructive engagement" policy towards the Rangoon regime.

"As in the past, ABSDF, which is denied access to stage peaceful demonstrations during the ASEAN gathering because of restrictions imposed by the Thai authorities, will continue to support and encourage peaceful demonstrations which are staged by organisations sympathetic to the plight of the people of Burma," the statement said.

The ABSDF said in its statement two of its leaders had been arrested recently by the Ninth Army Division in Kanchanaburi while on their way to a Burmese students' camp at the border.

The group said the two leaders were tried on charges of illegal entry and fined. While awaiting deportation, the two were questioned twice by the military which allegedly tried to force them to confess the student organisation was planning a bomb attack at the ASEAN meeting.

The organisation said it had been subject to ill-meaning rumours which it believes were released by "a certain illegitimate regime" to discredit Burmese democratic organisations overseas for its own interest.

The National League for Democracy (Liberated Area) Burma also issued a statement yesterday in which it protested against the invitation from Bangkok for SLORC to send representatives to attend the ASEAN meeting as observers.

Army Commander on Cambodian Coup

*BK1407143794 Bangkok Thai Color Television
Channel 9 in Thai 1200 GMT 14 Jul 94*

[Text] Commenting on the recent coup attempt in Cambodia, Army Commander General Wimon Wongwanit said that the incident was a mere farce concocted by some foreign countries to destroy Thailand's image and reputation. General Wimon Wongwanit reaffirmed that Thailand's friendly attitude toward all countries remains unchanged. All countries know that sporadic fighting is taking place inside of Cambodia. Some countries have accused Thailand of supporting the Khmer Rouge because they are afraid that Thailand will attain strong influence in Cambodia and do not want us to be friendly with the Khmer Rouge.

[Begin Wimon recording] They fear we might influence the Khmer Rouge and must prevent that. Their scheme will become obvious later. [end recording]

Editorial Urges Neutral Stand on Cambodia

BK1407144994 Bangkok SIAM POST in Thai 14 Jul 94 p 4

[Editorial: "The Khmer Rouge Government"]

[Text] An official announcement was made last weekend on the formation of a Khmer Rouge government in Preah Vihear province under the premiership of Khmer Rouge leader Khieu Samphan. The Khmer Rouge will launch more campaigns to encourage the Cambodians in Phnom Penh and all parts of the country as well as those abroad to rise up against the Vietnamese to liberate Cambodia from Vietnamese domination.

According to the Khmer Rouge radio, monitored in Bangkok, the objective of the new Khmer Rouge government is to use all possible means to eliminate the Vietnamese influence in Cambodia and create national reconciliation as quickly as possible. The Khmer Rouge do not want their country plunged into another catastrophe.

The Khmer Rouge government alleged that the Phnom Penh government's leaders were under pressure from the Vietnamese communists and their lackeys when they introduced a law to the National Assembly to outlaw the Khmer Rouge faction.

The Khmer Rouge radio did not give the exact location of their government office or state in which part of Preah Vihear province it is located. However, Preah Vihear shares common borders with the Kantharalak District of Thailand's Sisaket Province. Thailand lost the Preah Vihear stone temple to Cambodia in 1961.

It should be noted that Cambodia's King Norodom Sihanouk has also recognized the Khmer Rouge's provisional government, which means the king, enthroned by the Phnom Penh regime itself, wants to see the two factions reconciled rather than killing each other.

As for Thailand, it must adhere to the international practice of recognizing only the elected government. In particular, Cambodia is one of Thailand's close neighboring countries. The two countries have maintained intimate ties from time immemorial.

In any event, Thailand is one of the signatories to the Paris agreement on the Cambodian peace plan of 1991, under which a general election was held two years later. The Khmer Rouge refused to participate in the poll, which was an internal affair of Cambodia. However, Thailand has since been accused of supporting the Khmer Rouge.

The formation of the Khmer Rouge government is a major concern for the Thai Government. Since the Khmer Rouge are considered rebels by the Cambodian Government and the areas under their control are adjacent to the Thai border, it is likely that Thailand will continued to be the target of accusations by the Cambodian Government.

Meanwhile, the Cambodian Government is still detaining 14 Thai nationals in connection with the 2 July abortive coup attempt.

The best way out for Thailand for the time being is for it to be truly neutral and solve all the problems which may arise between the two countries, including the fate of the 14 Thai nationals who have been accused of getting involved in the coup attempt.

First Joint Council Meeting With India Fails

BK1507105894 Bangkok THE NATION in English 15 Jul 94 p B3

[Text] Despite excitement over the opening of the sub-continent to international commerce, Indo-Thai trade relations are set to be somewhat ponderous for some time to come. The first meeting of the Thailand-India Joint Business Council failed to splutter into life as delegates struggle to reach a common position.

The council was set up over four years ago under the provisions of the 1990 Economic and Trade Co-operation Agreement between the two countries, but only met for the first time yesterday.

The meeting was designed to open up potential areas of mutual interest between the two parties in trade and investment, in order that both countries could take advantage of the other's key regional role. For India, Thailand is the gateway to the six member Association of Southeast Asian Nations (Asean), and for Thailand, India holds an important position as the major economy in Southern Asia and the Middle East.

"There has been a change in the mindset", said Tanil Kilechad, head of the Indian Delegation. "We have been looking to the west and now have to turn to the east, and Thailand has been looking east and now has to look west", he said.

Yet for most of the session, the discreet hum of the air-conditioning was the most noticeable contribution to proceedings. Delegates were mostly late or absent, and the start of the conference was delayed to allow those who had 'preferred' the World Cup semi-finals to take places.

Mid-way through the morning, Thawat Yip-insoi, leader of the Thai delegation asked, "can we have a brief comment to stimulate some discussion, or else we will all fall asleep because of the football games".

Thawat was scathing about the ability of the conference to achieve any results, especially in tackling India's continually large trade surplus with Thailand. "Frankly, everything is in India's favour. We haven't found anything particularly exciting trade-wise so far. We haven't even found a conclusion yet", he said.

Trade between the two countries increased by 50 per cent last year, and in 1991 topped US\$1 billion, but the overall volume is relatively small and the basket of commodities traded limited. Minor fluctuations in key industries such as gems and cotton production can have larger impacts on

the overall picture. Total volume of trade in 1992 fell to US\$403 million, and only partially recovered in 1993 to reach US\$599 million.

"I have a sneaking suspicion that this move on the part of the Indian government is merely a move to get wealthy Indians in Thailand to move back to India in order to invest there", he added. Other members of the Thai delegation also expressed their concern that this was the prime motivation behind the visit.

Kilechad deflected the accusations, suggesting that it was only natural that expatriate Indians should be the first to benefit from India's liberalization, and that the flexible laws governing Capital Gains Tax applied to all foreigners.

Talks on investment opportunities were more forthcoming, with proposal from the fisheries, telecommunications and petrochemical industries for joint ventures. The CP company has been running a frozen prawn processing plant in India for some years, and is seen as the flagship for bilateral investment.

Areas of concentration for India were Thailand's food processing and telecommunications technology as well as expertise in the tourist industry. Thailand tended to be more interested in heavy industrial technology in iron, as well as human resources in areas such as computer software.

The ill-matched agenda had been drawn up in 1991, and despite attempts from the Indian side to alter it before today's meeting, it remained sadly anachronistic. Representatives of sectors on one side of the table often did not have counterparts on the other due to shifting national priorities from three years ago.

Many bravely covered up awkward pauses by proclaiming that this meeting was merely the beginning of a long process. "This is the first meeting and therefore things are not really taking shape. But we do hope to use it to find areas to target", Kilechad said.

The Indian delegation had met with government officials on Wednesday to discuss visa restrictions on Indian businessmen looking to invest in Thailand, and to re-enforce India's position as an associate member of Asean.

The last visit from India to Thailand was that of the Prime Minister P. V. Narasimha Rao in April 1993. Foreign Minister Prasong Sunsiri returned the visit late in 1993.

Chuan To Talk With Air Force Chief on Deal

BK1507092694 Bangkok THE NATION in English 15 Jul 94 p A5

[Text] Prime Minister Chuan Likphai yesterday said he would discuss with Air Force chief Siriphong Thongyai whether and under what conditions Thailand should buy six Italian G-222 transport planes.

"I want to invite the Air Force commander to talk about the planes. He may have some good information and I will

tell him what is cheap and what is expensive," Chuan said. "He is not the person who initiated the deal, and he may not know the details."

Though the purchase of the transport planes has already been approved by the Cabinet, the Air Force has not yet negotiated the price.

Reports that the Air Force may no longer want the aircraft threatened to renew conflict between the government and the military over the "food-for-arms" barter trade policy.

Commerce Minister Uthai Phimchaichon has criticized the Air Force for delaying the purchase. He said the military's move has hurt the feelings of the Commerce Ministry. It was the first government policy to barter commodities for weapons appeared to have been successfully implemented.

The Air Force is negotiating with an Italian company to purchase the planes, equipment and spare parts, Siriphong said on Wednesday. He had instructed the officers concerned to conclude the deal as soon as possible.

Chuan said that before approving the deal the Cabinet had asked the Air Force whether it still wanted the planes. He said the Italian company had agreed to cut the price and to buy Thai agricultural produce in a counter-trade deal.

He said it was good that the Air Force was careful in spending money, since it is the people's money.

Chuan said he did not know whether the delay of the purchase had anything to do with commission fees, and that the contract had not yet been revoked. He would discuss the issue with Siriphong before making a decision.

Deputy Prime Minister Suphachai Phanitchaphak said the Air Force may want to check carefully the details of the contract, but it would still have to be a counter-trade deal.

He said there would be no problem if the Air Force decided not to buy the planes. If the contract was not good, it should be revoked. Defence Minister Wichit Sukmak said the Air Force was negotiating with the Italian company. He said Siriphong was only dissatisfied with the price of the spare parts. There was no problem about the price of the planes, which he said were of high quality.

Wichit said he had talked with Uthai in a Cabinet meeting, and the Defence Ministry would act in line with government policy to purchase the planes through a counter-trade deal.

Wichit denied he had sent a letter to Supreme Commander Woranat Aphichari to force him to push the Air Force to buy the planes.

Deputy Foreign Minister To Be Prasong Aide

BK1507074894 Bangkok BANGKOK POST in English 15 Jul 94 p 3

[Text] Foreign Minister Prasong Sunsiri said yesterday he had selected deputy minister Surin Phitsuwan as his aide for the ASEAN Regional Forum [ARF] later this month.

The minister's decision to pick Mr Surin as his partner in discussion on security issues in the forum was common practice because most foreign ministers participating in the ARF would likely be accompanied by their foreign permanent secretaries.

The ARF uses the so-called "one plus one" formula: allowing each foreign minister to bring in another person to the forum as an aide who is not allowed to talk in the three-hour discussion.

As chairman of the ARF, Sqn-Ldr Prasong would preside over discussions on security issues with 17 other foreign ministers.

Initiated by the Association of Southeast Asian Nations, the ARF will take place in Bangkok on July 25 in the venue in which six ASEAN foreign ministers will sit down to talk with their dialogue partners and observers and consultative partners including major global actors such as China, Japan, Russia and the United States.

Sqn-Ldr Prasong, as chairman, will deliver a statement to the press after the working dinner which follows an audience with His Majesty the King, according to the ministry's Director-General of the East Asian Affairs Department Don Pramutwinai.

The statement will contain only what issues are discussed in the ARF without specifying who raised them, said Mr Don.

Central Bank Cautions on Rising Inflation

BK1507091694 Bangkok THE NATION in English 15 Jul 94 p A2

[Text] Inflation is becoming a cause of increasing worry as the pace of economic activity builds in the second half and economic growth for the year nears 9 per cent, Bank of Thailand Deputy Governor Roengchai Marakanon said yesterday.

Inflation in the first half of this year estimated to be 4.9 per cent annually, and in June alone it was 5.2 per cent. The upper target for the year was only 4.2 per cent, Roengchai said.

Aside from rising oil and farm prices, an expected increase in salaries between now and the end of the year will further increase people's purchasing power, causing inflation to rise.

"We are very concerned about salary levels. The Bank of Thailand will call for a meeting with the Thai Bankers' Association to seek cooperation not to adjust salaries excessively. Banking is a leading sector in setting salaries in the private sector," Roengchai said.

Interest rates are another instrument that can prevent the economy from becoming overheated. The prime rates, the interest rates quoted to banks' best customers, are expected to go up further by the end of the month, which will help to slow investment and therefore inflation, he said.

Demand for credit in the first half grew 24 per cent, while deposits only increased 14 per cent. Roengchai said higher interest rates would help to keep the economy in balance.

There has also been more spending on luxury products and services in the first half of this year. Imports grew 25 per cent in the first half, compared to last year's growth of just 14 per cent. A stock market boom in the second half would fuel further spending.

Roengchai suggested that the government formulate a new economic policy, especially in terms of maintaining the country's competitiveness in the export market.

"Inflation is worrying, since it will reduce the country's ability to compete. The government must take care of this issue. The Bank of Thailand has asked banks not to extend excessive credit for luxury items and investment speculation.

"The government must ensure that the budget is well spent, to increase efficiency in supporting an expanding economy. Spending on luxury products must be controlled through excise taxes," he said.

Rapid changes in the world and local economies in the first half of this year were likely to make obsolete Thailand's initial 1994 forecast of gross domestic product (GDP) growth of 8 per cent with an inflation rate of 4.2 per cent.

Both indicators are being subjected to a review, Roengchai said at a Thai Chamber of Commerce meeting yesterday.

Thai exports in the first half of this year have overshoot the original forecast of 14 per cent growth, to hit 23.5 per cent on an annual basis, as the economies of the United States, Japan and the European Union stage a significant recovery.

The increased exports are adding to significant demand, especially for farm products and food, of which Thailand is a major exporter.

Roengchai said the US economy grew 3.9 per cent in the first quarter, compared to 3.4 per cent in the same period last year. Germany grew 1.5 per cent, compared to minus 1.5 per cent in the same period last year. Japan, with zero growth last year, is posting a climb of 1.5 per cent.

"This external factor is causing exports to shoot up and the average GDP growth to surpass the target," Roengchai said.

More efficient state spending is also adding to higher growth, with more cash disbursement from the budget to the maximum level, compared with just 40 per cent of the total in the previous fiscal year. This pace will step up in the second half, he said.

Furthermore, private investments, such as some of the mass transit projects, have passed the main bureaucratic hurdles and will be ready to start construction soon. Smaller private investments have also gathered speed after a wait-and-see period due to uncertainty about the stability of the government.

Another positive indicator is the increasing shift of investment from Japan to this country due to the stronger yen. Thailand has become one of the prime sites for Japan's new wave of overseas investment in automobile production, and small and medium-sized Japanese industries are following suit.

"This will have an impact on the economy in the second half too," he said.

But Roengchai said the growth would not exceed nine per cent, as the country's basic infrastructure bottlenecks would act as a limitation.

The biggest concern is increasing inflation, which is certain to be above the 4.2 per cent target. Inflation has heightened because of greater demand for farm products from the export market.

Another important inflationary pressure is oil, where demand worldwide is now estimated to be equal to the supply.

Vietnam

Radio on Killing of Vietnamese in Cambodia

BK1407135294 Hanoi Voice of Vietnam in English
1000 GMT 14 Jul 94

[Radio commentary]

[Text] Reports from the Overseas Vietnamese Association in Kompong Chhnang Province, Cambodia, say: Early this week, the five-member family of Mr. Ho Van Tru living in (Ta Pheklap) Commune in Kompong Chhnang Province was shot to death by an armed group while they were carrying dried fish from the Tongle Sap Lake to the market for sale. This act aroused indignation among the Vietnamese nationals living in Cambodia. On this event, our radio editor has this to say:

The armed group shot to death all the five members of Mr. Tru's family, his three children—the oldest is over 10 years old, but the youngest is only one year old. It is said that the Khmer Rouge might be the culprits of the killing.

Of late, Vietnamese nationals living in Cambodia became targets of murder by the Khmer Rouge. King Sihanouk himself and the Royal Government of Cambodia have many occasions denounced these acts of killing of Vietnamese nationals said the opposition force in Cambodia neglected their protest [sentence as heard]. Worthy of note is that when the situation in Cambodia was in a difficult time and the Vietnam's acts were seen, the failure of the recent coup attempt and the Cambodian National Assembly's decision to outlaw the Khmer Rouge caused the situation in Cambodia tense and complicated. [sentence as heard] There were news stories alleging that Vietnam took part in the coup. Immediately afterward, Mr. Tru's family was killed in Kompong Chhnang. Observers questioned whether these acts were taken by the Khmer Rouge to distract public attention and to shift the blame over on Vietnam for the tense situation in Cambodia.

It is certain that their attempts can never be realized because it was King Sihanouk himself who has been saddled with the responsibilities in these activities of the Khmer Rouge against his country. [sentence as heard]

[Words indistinct] that the Khmer Rouge never showed that goodwill for national reconstruction. For them, the first and second premiers of Cambodia, Ranariddh and Hun Sen, affirmed that the Khmer Rouge should be responsible for peace, which has not yet been restored in Cambodia. Moreover, they pointed out that the Khmer Rouge have died politically. The Cambodian National Assembly's decision to outlaw the Khmer Rouge has expressed the agreement with this viewpoint of the Royal Government of Cambodia. For this very reason, the Khmer Rouge cannot (?reject) their irresponsible acts toward peace in Cambodia by committing more crimes against the Vietnamese nationals and slandering Vietnam.

As pointed out by a note of the Vietnamese Embassy in Cambodia, the Cambodian Royal Government should duly punish the murderers of the Vietnamese nationals in Cambodia and protect them and not take the Vietnamese nationals' lives to serve their dark schemes. This is unacceptable.

Radio on SRV-French Friendship, Cooperation

BK1407145594 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 14 Jul 94

[Unattributed article]

[Text] Vietnam and France established official diplomatic relations on 12 March 1973. In recent years, Vietnamese-French friendly and cooperative ties have undergone important changes for the better in the framework of efforts to shift to cooperation for mutual benefit. The scale of bilateral relations has constantly been expanded in the political, economic, trade, and cultural fields. The French Government welcomes and supports Vietnam's renovation undertaking and helps us improve relations with the European Community and international financial institutions. In October 1993, the International Monetary Fund (IMF), the World Bank, and the Asian Development Bank (ADB) decided to grant capital loans to development projects in Vietnam. The international conference of Vietnam aid donors held in Paris decided to provide Vietnam with 1.86 billion dollars in 93-94 fiscal year. On 14 December 1993, 11 Paris Club member countries announced that they agreed to write off 50 percent of Vietnam's debts to them. Thus, Vietnam has reintegrated itself into the international financial community. France was among countries that made the greatest contributions to helping Vietnam achieve the afore-mentioned results.

The year 1993 was a memorable one in Vietnamese-French cooperation. Early last year, French President Francois Mitterrand visited Vietnam. In June 1993, Prime Minister Vo Van Kiet visited France. These visits mark new steps of development in Vietnamese-French friendship and cooperation based on the principle of equality and mutual benefit.

France was one of the first Western countries to resume development aid for Vietnam. France has increased its annual aid for Vietnam on a progressive basis. In 1993, France provided Vietnam with as much as 360 million francs in aid. Furthermore, France has provided supplemental cultural, medical, educational, and humanitarian aid worth tens of millions of francs each year.

Compared with other northwestern European countries, France is Vietnam's biggest trade partner. Last year's Vietnamese-French trade index reached more than 1 billion francs. Many Vietnamese-French joint ventures have become operational. A series of seminars and economic and technological exhibitions have been organized in Vietnam and France and attracted a large number of Vietnamese and French business people.

Joint development projects between a number of Vietnamese provinces and French regions have begun to bear fruit. Vietnamese-French cooperation in science and technology, energy, training, telecommunications, and transport and communications has yielded encouraging results. Both sides are also considering new joint development projects. President Francois Mitterrand and the French Government support and encourage efforts to promote comprehensive cooperation with Vietnam.

Deputy Prime Minister Receives Spanish Minister

*BK1407144594 Hanoi VNA in English 1425 GMT
14 Jul 94*

[Text] Hanoi VNA July 14—Deputy Prime Minister Nguyen Khanh received here this afternoon Spain's Minister of Trade Apolonio Ruiz Ligerio and his party who are currently on a working visit to Vietnam.

During the reception, the Spanish head delegate said that his visit was aimed to seek possibilities and concrete conditions for economic cooperation investment, and trade between the two countries.

Vietnam and Spain has signed a memorandum of understanding under which Spain will provide Vietnam with USD 80 million as financial support of which USD 300 million in soft loans, and the rest in credit to support commodities import and export. Spain will cooperate with Vietnam in projects on electricity, public health, infrastructure construction and other fields.

Speaking to his guests, Deputy Prime Minister Khanh welcomed the Spanish delegation which includes twenty business persons as a vivid manifestation of the Spanish Government's good will in promoting economic and trade relations between the two countries.

Fire Destroys Hanoi's Biggest Market

*LD1507105794 Melbourne Radio Australia in English
0830 GMT 15 Jul 94*

[Text] Fire has destroyed the biggest market in the Vietnamese capital Hanoi with witnesses saying at least five people have been killed. The blaze ripped through the Dong Xuan market in the heart of the city's Old Quarter

and only torrential rain prevented the fire from spreading. As Christopher Kremmer reports, the blaze is a setback for the city's economy at a time when business was doing a roaring trade in imported goods.

[Begin Kremmer recording] Hanoians used to say you could find everything but nuclear weapons at Dong Xuan market. Now the building looks like it's been hit by an atom bomb. Built only two years ago to house street traders, Hanoi's main market has been gutted and appears close to collapse. Large cracks have appeared in the vast three storey building which is still smouldering. At the height of the blaze police had to baton charge a path through the teeming crowds in the heart of Hanoi's ancient and congested 36 Street district. Fire trucks ferried water from nearby Hoan Kiem Lake to douse the flames, but they could not save the building, nor is it feared the lives of some traders, some of whom rushed into the burning building to save their merchandise. Others known to bed down for the night in their stalls may have been caught inside.

The official media has yet to broadcast any news of the fire, let alone precise casualties or damage estimates, but the fire is clearly a disaster for the city's fast growing merchant class. It's only in the 1990s that Hanoians have discovered shopping as shelves empty but for poor quality Soviet goods have filled with the best consumer products from Japan. Business has boomed but hundreds of traders have now lost everything in a city where insurance is a rarity and adequate compensation will be hard to come by.

Worse still the government will have a hard time persuading superstitious Vietnamese traders to go back into an organized central market if a new one is built. But while ill fortune may have destroyed the city's main commercial center, it has spared the city itself. Torrential rains which began overnight stopped sparks from the inferno at Dong Xuan spreading across the ancient quarter of Hanoi, considered by urban planners to one of the best preserved examples of an old Chinese city in Asia. In Hanoi, Christopher Kremmer. [end recording]

[Melbourne Radio Australia in English at 1000 GMT adds the following update: "Police have confirmed at least one death in the largest fire in living memory in the Vietnamese capital Hanoi. Christopher Kremmer reports from the scene that local traders say they have lost tens of thousands of dollars' worth of goods due to looting.

"[Begin Kremmer recording] Even with the flames licking around the entrance to Hanoi's largest market, traders rushed in to save their merchandise, but they say no sooner did they heave it out of the burning building than it was stolen by looters waiting outside. A thick pall of smoke continues to rise above the site and is visible several kilometers away. Fire fighters' efforts to extinguish the blaze are being hampered by narrow access to the crowded Old City and the presence of thousands of onlookers. Christopher Kremmer, Hanoi.[end recording]"

Party Secretariat Issues Function Decision

BK1407134994 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 14 Jul 94

[Text] The party Central Committee recently held a working session—which was chaired by Comrade General Secretary Do Muoi—with the entire editorial staff of the Newspaper NHAN DAN to hear its briefings and to provide the newspaper with suggestions for guidance.

On 13 July 1994, the secretariat issued a decision on the functions and duties of the newspaper NHAN Dan and announced resolution No.80 on the renovation and improvement of the newspaper's quality .

The secretariat's decision pointed out that the newspaper NHAN DAN is the party's political and ideological banner

on the Vietnamese media front. It is also a bridge that helps maintain daily contacts between the party and the state on the one hand and the people at large on the other.

Hong Kong Group Fined for Importing Jeans

BK1407155594 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 14 Jul 94

[Text] The Hanoi Municipal People's Committee recently fined Hong Kong's Total Glory Group for illegally importing 72 tons of jeans into Vietnam. The fine was equal to 10 percent of the total value of the illicit imports, roughly 694.12 million dong. The case—which dragged on for nearly two years—has thus been legally settled.

Melanesian Group To Discuss Bougainville Issue*BK0907130394 Melbourne Radio Australia in English
1100 GMT 9 Jul 94*

[Text] Papua New Guinea says the Melanesian Spearhead Group [MSG] meeting, which has opened in Solomon Islands, is very important because it expects progress on the Bougainville conflict. South Pacific correspondent Erina Reddan says it's the first time Papua New Guinea has allowed the issue to be so prominent at an international summit:

[Begin recording] [Reddan] Francis Saemala, the foreign minister for Solomon Islands, which is hosting the three-day MSG meeting, says it portrays the development aspirations of rural people. He also called for further development towards resolving the six-year-old Bougainville secessionist conflict. Peace talks broke down two weeks ago. Papua New Guinea's Prime Minister Paias Wingti welcomed Solomon Islands interest:

[Wingti] And I think this summit is also going to be important for Papua New Guinea, because I know you have done some groundwork for Papua New Guinea, and we are looking forward to have discuss [as heard] in Solomon Islands with our brothers on Bougainville.

[Reddan] Mr. Wingti said it's important for the Melanesian Spearhead Group—which also include Vanuatu, New Caledonia, and Fiji—to clarify its position on a number of issues ahead of the South Pacific Forum next month in Australia. [end recording]

Future of South Pacific Islands Viewed*BK1407100194 Suva ISLANDS BUSINESS PACIFIC
in English Jul 94 pp 11-13*

[Article from the "We Say" section: "It's Time for the Islands To Start Getting Serious"]

[Text] By now Pacific Island leaders, if not all their people, ought to be becoming uncomfortable about the poor, and for some dismally poor, outlook for their countries. Many are.

It is obvious that the South Pacific Islands region, which never was very important for long to the rest of the world, is now far less important. It is doomed to become of even less consequence in years to come. The end of the Cold War, the rethinking of international political strategies and the various degrees of economic stress experienced by rich aid giving countries confirms this. There is a qualification to make about those statements, but more of those later.

What this diminishing status means is that Pacific Islanders who think that they deserve steadily more aid from the rest of the world will be disappointed. They are likely to get progressively less, certain when measured in terms of the diminishing value of any extra dollars cast the region's way.

This has been clear for quite a long time. It was underlined at Barbados in May. There the grandly titled global conference on sustainable development for small island states

produced hardly more than the message that the position of a lot of them is probably unsustainable. Other signs are Britain's desire to quit the South Pacific, the cruel American government abandonment of the region (although they still want to fish in it) and shuffles by the European Union. The Europeans are saying that since a lot of Pacific islands countries seem to have difficulty spending the money they get from them now, that perhaps they need less.

Another serenade with a rising crescendo is that aid money isn't being spent with maximum effect. That it is even being wasted since a lot of it isn't achieving anything beneficial that is greatly apparent. That may be so. But the islanders can justifiably be aggrieved to hear theories expounded that the fault may be all theirs. The islanders are besieged with advisers, planners, consultants, experts and sundry other artists sent usually by the aid givers and frequently paid richly from the very aid funds they are helping to spend. If the expounders can sell this one it will be a wonderful excuse for slashing aid budgets.

Looking beyond the boundaries of Oceania, and perhaps even agreeing that they are approaching a level at which they cannot, comfortably absorb more aid, the Pacific Islands has one consolation. They can take comfort in the fact that their most important benefactors are unlikely to turn off as brutally as the United States Government did.

They are the Europeans, Australia, New Zealand and the Japanese. The Japanese do obviously hanker for influence in the region because they get a lot of fish from it and some other commodities. Perhaps because they see other Oceanic writing they don't yet want anyone else to know what they see there. The Australians and New Zealanders will keep the cash flowing first because it is in their own political interest to keep island nations afloat as far as it possible. Second, because they feel some guilt about their long exploitation of it. The Europeans will keep the cash flowing because they want to feel moderately holy. Perhaps some more strings will be tied to aid budgets in an effort by these donors to grant themselves the illusion that they at least are somehow getting value for their money even if the recipients are not.

One person who has just managed to convey the impression that the lack of progress in getting the Pacific Islands moving is the fault of the islanders is Gordon Bilney, Australia's first minister for Pacific Island Affairs. He did this in a long speech made on June 15 to the Foreign Correspondents' Association in Sydney. The Australians went to great lengths to have the speech televised live throughout the region to Pacific Islanders who run or influence island governments. Bilney has travelled quiet extensively in the islands since he got the job. He has shown himself to be a friendly, understanding and intelligent man. Perhaps he has succeeded in persuading some islanders that the Australian government's decision to create his new job, wasn't really a diplomatic downgrading of their region. Although it must be obvious to some that the Australian foreign minister, Gareth Evans is now able to pay more attention to larger, richer and often far more dangerous and nasty governments.

The way Bilney's speech was prelude gave an impression that he would announce a significant change in Australia's Pacific Islands policy. He did not. Perhaps he wanted to hint that one might be brewing, possibly to be sprung at the annual meeting of Forum Island heads of government, which will take place in Brisbane next month. That was not clear either since, towards the end of his speech he stressed that Australia would not become "prescriptive" of the region's problems and was not about to try to be.

All that he did was to convey that he, that is Australia, is alarmed about the way the islands are heading. The islanders are breeding too fast, allowing foreigners to hack down all their forest and steal all their fish and bankrupting themselves with silly national airlines. They are ruining their land, running their affairs with unqualified fools (he meant local ones, presumably) and achieving very little in the way of substantial manufacturing and export development. It was possible to paint a "nightmare vision of mass unemployment, urban slums, unrealisable demands on already stretched government services, growing lawlessness and a degraded environment." All this of course was the worst doomsday scenario, at least there was hope, but still, he said. [sentence as published]

Bilney's speech was nevertheless a timely and warranted one. A lot of his comments were valid and they should be debated at next month's meeting in Brisbane of the South Pacific Forum. Getting that done was the main intent. His underlying message was a now familiar one. Big countries now understand that they must fend for themselves, counting on a minimum of external help, and do that by competing ruthlessly against other countries. Small weak countries must do so too.

The trouble with the speech was that it too broad and sweeping. Not all island countries are breeding themselves silly; some have declining populations. Not everyone is cutting all their forests down. Some regional airlines are doing reasonably well. There are a lot of smart island governments, business and industry managers. The trouble is that there are not enough of them, partly because places like Australia pinch them. Also, is that much of the mess the fault of the islanders? Few of them have been independent for more than 20 years. All of them are grappling with the legacy (or lack of it) of a hundred or more years of colonial rule. They were left landed with now disastrous imposed plantation economies, weaned on exports (often mainly from Australia) thrust down their throats, and in many cases were left with truly pitiful health, education and economic development structures. A lot of those legacies were thoroughly lousy ones. But all that is water under the bridge. The future is now. The future, according to Bilney, is competitively producing, processing and exporting more. Competitively more of what? That is the dilemma of the islands. Most of them are not situated to do that for reasons that are too well known to need repeating. Perhaps, as Bilney suggested, some islanders might be able to achieve more in the way of extracting more value for themselves for the tuna caught in their waters by foreign fishing fleets. But don't let's kid ourselves there. The world

can support only so many fishing boats and fish canneries and it already has too many of them.

We mentioned that there was a qualification to make about the unimportance of Oceania. It is one we have mentioned before and it was mentioned by Bilney. Almost everywhere the seas are polluted and dying. Soon the South Pacific could be the last bit (a great big bit) of clean, warm, friendly water speckled with islands that might not produce much but which are still nice places to visit. This is the region's greatest seller and it can competitively sell it. The trick is to wisely exploit it to the hilt without being infected disastrously by all the diseases from those parts of the world which are for now going cool on the Pacific's islands.

Australia

New Gold Reported Discovery at Tasmania Mine

LD1407121894 Melbourne Radio Australia in English
1100 GMT 14 Jul 94

[Text] Tasmania's richest gold mine, thought to have its reserves exhausted years ago, is showing signs of another major discovery. Mike Howe says the latest tests on the Yule Reef below the long-closed Beaconsfield gold mine showed gold reserves worth hundreds of millions of dollars.

[Howe] Numerous test holes have been drilled into Yule reef which extends at least 250 meters below the old workings. They have identified mineral resources of up to 700,000 tonnes with a gold concentration of up to 25 grams a tonne. That means reserves of half a million ounces of pure gold and possibly as many as one million ounces. More drilling starts in a few weeks to prove further gold reserves and then the Beaconsfield gold company will start work on getting the gold to the surface economically.

Canberra May Not Cut Greenhouse Gas Levels

BK1407153794 Sydney THE AUSTRALIAN
FINANCIAL REVIEW in English 29 Jun 94 p 7

[By Peter Gill]

[Text] Australia may refuse to take on greenhouse gas reduction commitments if the economic impact on Australia was too high, the Minister for Foreign Affairs, Senator Evans, has warned.

Senator Evans told THE AUSTRALIAN FINANCIAL REVIEW that the option of Australia not accepting climate change commitments had been endorsed by Cabinet.

His comments are the toughest sign yet by a federal minister that the Government will resist international pressure for deep cuts in greenhouse gas emissions.

Senator Evans has also staked out his negotiating ground for the pending debate with the Minister for the Environment, Senator Faulkner, as the Government finalises its position before a meeting of convention signatories next March.

In an interview with the REVIEW, Senator Evans said that Australia faced a "very big problem" on the climate change issue. "We are going to have a huge job meeting even the present sets of targets, quite apart from more rigorous formal commitments that can basically be argued for by others," he said.

The Climate Change convention, ratified earlier this year, has a very imprecise goal of reducing emissions of green house gases like carbon dioxide to 1990 levels by the year 2000. Germany and the US among others are pushing for much tougher commitments.

The Cabinet's 1991 decision on reducing emissions was "subject to Australia not implementing response measures that would have net adverse economic impacts nationally or on Australia's trade competitiveness, in the absence of similar action by major greenhouse-producing countries".

Senator Evans said Australia had a "genuine responsibility ... to do our part in addressing what is a huge worldwide problem". But he added: "If we do take a self-interested position, if we do observe the full rigour of that Cabinet decision—ie just don't accept something that would work to our competitive disadvantage—it wouldn't make all that much difference ... because whatever the political significance of our position might be, the environmental significance in terms of what we contribute to ... (greenhouse gases) is really minuscule."

Asked specifically if non-acceptance of commitments was an option, Senator Evans said: "Non-acceptance is an option. I mean, Cabinet has stated that, yes." These comments go much further than his previous remarks on the issue. In a Senate Estimates Committee hearing last month, he declined Opposition overtures to say that Australia would stand out against a global consensus on a particular emission reduction target.

After noting that non-acceptance was an option, Senator Evans added: "We will be working like hell to try and get that sort of burden-sharing concept to be accepted and some recognition of the difficulty that we, and a handful of other almost totally fossil fuel-dependent countries, have."

A "burden-sharing" arrangement—recognising that countries like Australia, as an exporter of processed energy like aluminium, is emitting production gases for buyers of those goods—has been a major demand of the business sector.

Papua New Guinea

Article Views Bougainville Refugee Problem

BK1407152094 Suva ISLANDS BUSINESS PACIFIC
in English Jul 94 p 67

[Article by Senior Writer Vasiti Waqa from the "My View" section: "Unseen Refugees on Our Doorstep"]

[Text] In Papeete, Rarotonga, Alofi, Apia, Suva, Noumea, Port Vila, and Yaren, the world comes into homes each night via the television services proliferating across the Pacific Islands. Television sets show the shocking images

of war in such spots as Bosnia and Rwanda and the plight of the refugees from these bloody battle zones. In Honiara, ignored by the television cameras of the world and unseen by the people of the region, the wheels of government have begun turning to try to end one of the Pacific's own messy humanitarian problems. This is the repatriation of more than 2,000 people back across the water to the big Papua New Guinea island of Bougainville.

If things go as planned, both the Solomon Islands and Papua New Guinea government, will have a joint plan of action in place this month. But the task could take years to complete. For the Solomon Islands it is an important and long awaited step towards alleviating an increasingly burdensome problem which began, through no fault of theirs, back in 1988. That's when festering discontent by the Bougainvilleans led to a rebellion against Papua New Guinea rule. The war which followed, and the brutality on both sides, sent Bougainvilleans fleeing across the water for safety and medical care in the Solomon Islands.

In late May, foreign affairs officials of the Solomons and Papua New Guinea met in Honiara. They gave the Solomon Islands permanent secretary for foreign affairs, Hugh Paia, the job of proposing ways of getting Bougainvilleans back across the watery border that separates the trouble-torn island and two nearby Solomons provinces. Many refugees arrived wounded and in need of medical attention. Some found haven with relatives in the Solomon Islands.

Within days of the Honiara meeting, Paia had a rough outline of a three-phased repatriation plan. In the first phase, people will be asked to voluntarily return, provided that the situation on Bougainville is calm and normal. Then those in hospital will be asked to leave after they have finished receiving treatment. If they don't, they will then be forced to leave. Paia says both prime ministers will have to agree to the plan. They will be expected to make assurances "that the situation on the other side is all right, that there will be no harm done to the returnees."

Sick and wounded:

The problem is a priority for the Honiara government. It has done its best to handle it within its limited resources. But it hasn't been able to stop border crossers arriving. And much to Papua New Guinea's annoyance, it hasn't been able to turn away the sick and wounded people from an island with which some Solomon Islanders have blood ties.

The Solomon Islands is a peaceful, relatively violence free society. It has no army, only a police force. This patrols the border with boats, and has little in the way of weapons, and certainly nothing near the armoury of Papua New Guinea's security forces on Bougainville. In 1992 Papua New Guinea forces crossed into the Solomon Islands and shot and killed two people for allegedly helping the Bougainville Revolutionary Army. There have been several more incursions by the out-of-control Papua New Guinea army and shoot outs with Solomons police since.

Strained resources:

Unfortunately, some border crossers have taken with them into the Solomon Islands, the baggage that comes from living and trying to survive in a war zone. How to make homemade guns has been passed onto Solomon Islanders, much to the anxiety of authorities. Paia summed up his government's feelings when he said: "It is quite urgent for us, because the build-up is already being felt socially and also as I said our resources are being very much strained. The sooner we can get this over the better."

The heavily burdened medical services of the Solomon Islands struggle to help the Bougainvilleans in need of medical care. Scarce medicines and much needed hospital beds have been claimed by refugees ahead of the local citizens.

Honiara probably fears that the refugee problem could get out of control, and become a continuing burden. You only have to look west to the border between Papua New Guinea and the Indonesian-occupied half of the island of New Guinea for an example of this. The Solomon Islanders want to do something about it while they can.

During the past few years there has been considerable finger pointing across the Papua New Guinea-Solomons border. Port Moresby has accused Honiara of turning a blind eye to illegal entry, and Honiara has compounded this ire by providing medical and humanitarian assistance. Honiara questioned Papua New Guinea about the behaviour and capability of its forces on Bougainville.

Inevitably, Honiara's concerns about the Papua New Guinea military will prey on Solomon Islands minds as they try to return Bougainvilleans to their homes. A buildup of Papua New Guinea military strength on the island might send the wrong signals to those who are thinking of going home, and to the Solomon Islands leaders. This is a refugee problem that won't appear nightly on the tv screens of the world—or the Pacific. But it is one all Pacific Islanders should pray can be resolved peacefully.

Planning Minister Defends Nation's Performance

BK1407160094 Sydney THE AUSTRALIAN
FINANCIAL REVIEW in English 1 Jul 94 p 29

[By Masket Iangalio, Papua New Guinea minister for planning and finance, in the "Opinion" section]

[Text] Contrary to recent commentary, many recent economic indicators in PNG [Papua New Guinea] have been favourable.

For a start GDP grew by 10.4 percent in 1991, 11.8 percent in 1992, and 14.4 percent in 1993. Within the Asian Development Bank [ADB] region, PNG had the highest growth in 1991 and the second highest in 1992 and 1993.

Growth has not been related solely to mining and petroleum. Over the past three years agricultural growth has

been around the ADB region average, while forestry and manufacturing growth have been in the top decile of regional growth.

The manufacturing sector has averaged growth of 11 percent per annum over the past three years, a situation little understood or recognised by Australian observers.

In the past two years current account surpluses have been around 11 percent of GDP [Gross Domestic Product], a reasonable indicator of macro-economic balance.

The ratio of total external debt to GDP has fallen from around 80 percent in 1992, to below 50 percent at present, with further major reductions forecast for the rest of 1994.

THE AUSTRALIAN FINANCIAL REVIEW's [AFR] editorial of June 8 implies there is fiscal chaos in Papua New Guinea because recent national Budget deficits have been around 4 to 5 percent of GDP. The facts are that net public sector borrowing over the past two years has been negligible and for much of the period has been negative. Net borrowing to finance the Budget deficit has been more or less matched by a significant net reduction in debt by statutory authorities and especially the State nominee, MRDC [expansion unknown], in the repayment of significant mining debt.

Papua New Guinea has a large asset holding in the mining and petroleum resources. In time, the State will divest and take substantial capital gain to apply to future development.

We have not planned a Budget deficit of 7 percent of GDP. My own economists remain comfortable that the 4 percent of GDP level provided for in the March Budget statement is achievable.

Public expenditure on Bougainville will not be at the expense of overall expenditure control in 1994. Through my expenditure control committee I am pursuing this approach assiduously.

PNG has a national rural minimum wage of only around K[kina]24 (\$35) per week. A recent comparative study by the World Bank reveals that the PNG public service is in fact relatively small by international per capita standards. The AFR persists in outdated views about a hard kina without understanding the important gains in real exchange competitiveness have been recorded against virtually all the ASEAN countries in the past three years and in more recent periods against the Australian dollar.

In Papua New Guinea we do not neglect our agricultural or rural sector. The bulk of public expenditure is directed to these areas. Our coffee, cocoa, and palm oil producers who are all experiencing a bumper year following sharp upturns in world prices make mockery of the AFR's call to cut back on producers.

It is true we inherited at independence a very low level of physical and social infrastructure and that health, education, and other indicators warrant improvement. You might have acknowledged that such statistics are on sharply improving trends.

Finally the REVIEW's editorial attempted to turn recent policy debate over resources policies into a sensationalised dispute between myself and the Minister for Mining and Petroleum. This is not the case.

Mr. Kaputin in his recent statement indicated that the Lihir project would go ahead, within the current policy environment, once outstanding matters had been resolved to the benefit of both developers and the people of PNG. This is a position I fully endorse.

Mr. Kaputin also indicated that as no major new developments were on line during the next six months he would like to review policies for new projects. This should occur speedily so as not to deter exploration. My position has been clearly stated. There should be no artificial barriers to exploration.

It should not surprise Australian corporations that we would wish to get the best from our resource policies, bearing in mind the experience of Bougainville and the limited taxation benefits which have flowed to PNG from resource developments.

Australian corporations must understand that we wish to review our financial resource policies. For example in the past decade we have exported around 20 million cubic meters of unprocessed logs and have collected virtually zero corporate tax from logging developers.

Over a similar period Ok Tedi has exported over a million tonnes of copper and 150 tonnes of gold and has paid zero corporate tax.

The Porgera goldmine, despite being promoted as one of the richest in the world, is paying in 1994 corporate tax at only around \$US45 per ounce produced.

Similarly, the private developers of the Kutubu petroleum project in 1994 are paying corporate tax of around \$US 1.70 per barrel of oil produced, arguably the lowest petroleum tax take in the world.

These indicators are unsatisfactory and the need to adjust fiscal policies for new projects has been endorsed by the International Monetary Fund and the World Bank. Strengthened tax collection procedures are already being introduced and these will apply both to existing and new products.

This outdated mentality of the AFR came in the same week when PNG had signed a major new financing for \$US90 million (\$118 million) with the major banks of the world, headed by the Union Bank of Switzerland. In the same week we had also been having productive discussions with the Australian Government as to how program aid might be better tailored to maximize its impact within PNG.

I seriously doubt that the Australian Government would be in agreement with the conservative lecture that the AFR chose to inflict on us and its readers. Its biased attack on Papua New Guinea and its policies conveniently replays old mythologies and in the process fails to recognize factual information on recent economic performance.

Western Samoa

Auditor Declares Polynesian Airlines 'Insolvent'

BK1407142394 Hong Kong AFP in English 1039 GMT 14 Jul 94

[Text] Apia, July 13 (AFP)—Western Samoa's Polynesian Airlines (PAL) is insolvent and cannot repay its debts, Auditor-General Sua Ah Chong says in a report tabled in parliament here Wednesday.

His 94 page report has prompted Prime Minister Tofilau Eti Alesana to call a commission of inquiry into its contents which also include allegations of wrong doing by politicians.

Last month a leaked report by Treasury Department financial secretary Sala Epa Tuioti said PAL had debts equivalent to around 26 percent of the government's income which, he said, may threaten the state's viability itself.

He estimated its total debts at around 45.2 million tala (15.5 million US dollars).

At the time of the leak the government said it was committed to PAL and pledged more money.

Sua's report however notes the numerous assurances given by PAL chairman and Civil Aviation Minister Jack Netzler for more government money, each accompanied by assurances that the particular request was the last.

"It was (the November 1993) request that indicated to me that the Polynesian Airlines board and management have lost complete control over the direction of the airline and unfortunately, cabinet each time, commits public monies to fund significant existing overdue... commitments arising out of the actions and decisions of the board and management," the report said.

He said he had written to Tofilau last October expressing his concern that the "professional advise to cabinet by treasury on these matters, fast growing out of control, were not being heeded".

But then this May Netzler went back to cabinet and asked for a guarantee for a debt resulting from unpaid leases of 6.5 million US dollars to Air Canada and for another 10.9 million dollars to lease a plane from Kuwait Airways.

"Again cabinet approved the commitment of public monies to this extraordinary PAL affair."

It was clear now that PAL had reached an "irrecoverable situation, where it cannot repay its debts and is in a chronic state of insolvency."

Cabinet had made "unreasonable and completely unsound decisions", Sua said.

Tofilau told parliament he had appointed Chief Justice Tiavaasue Falefatu Sapolu to head a commission of inquiry into the report.

He warned against finding guilty those accused by the report of wrong doing. In enlightened governments people were found guilty only after the trial was over, he said.

Sua's report noted that outstanding debts and rented government property had escalated to [words indistinct].

"Most disturbing and disappointing is the fact that the worst offenders include some members of parliament who lease houses and/or business blocks from government."

He noted a leading government MP was a major electricity charge defaulter, currently owing 13,568 tala.

A company owned by three cabinet ministers had used government machinery for logging operations, adding

"this work was for the direct benefit of persons who appear to be either children or immediate relatives".

Added Sua: "This is an outrage and goes against all the principles of responsible, accountable and good government."

In a statement opposition leader Tupua Tamasese Efi said the auditor's report "clearly demonstrates that we have a critical economic situation which will get worse".

He said "corruption is rampant at cabinet and departmental head level."

Tupua called on Head of State Malietoa Tanumafili II to use his constitutional powers to nominate a panel of commissioners to investigate what is going on and to report back to him directly.